

BRISTOL MYERS SQUIBB CO  
Form S-4  
February 01, 2019  
TABLE OF CONTENTS

As filed with the U.S. Securities and Exchange Commission on February 1, 2019

Registration No. 333-

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM S-4  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**Bristol-Myers Squibb Company**  
(Exact name of registrant as specified in its charter)

<b>Delaware</b> (State or other jurisdiction of incorporation or organization)	<b>2834</b> (Primary Standard Industrial Classification Code Number)	<b>22-0790350</b> (I.R.S. Employer Identification No.)
--	--	---

**430 East 29th Street, 14th Floor, New York, New York 10016**  
**(212) 546-4000**  
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Sandra Leung, Esq.**  
**Bristol-Myers Squibb Company**  
**430 East 29th Street, 14th Floor**  
**New York, New York 10016**  
**(212) 546-3309**  
(Name, address, including zip code, and telephone number, including area code, of agent for service)

*Copies of all communications, including communications sent to agent for service, should be sent to:*

**Daniel E. Wolf, P.C.**  
**Sophia Hudson, P.C.**  
**Jonathan L. Davis, P.C.**  
**Kirkland & Ellis LLP**  
**601 Lexington Avenue**  
**New York, New York 10022**  
**(212) 446-4800**

**Jonathan Biller, Esq.**  
**Celgene Corporation**  
**86 Morris Avenue**  
**Summit, New Jersey 07901**  
**(908) 673-9000**

**Steven A. Cohen**  
**David K. Lam**  
**Edward J. Lee**  
**Wachtell, Lipton, Rosen & Katz**  
**51 West 52nd Street**  
**New York, New York 10019**  
**(212) 403-1000**

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after the effective date of this registration statement and completion of the merger of Burgundy Merger Sub, Inc. ( **Merger Sub** ), a wholly-owned subsidiary of Bristol-Myers Squibb Company ( **Bristol-Myers Squibb** ), with and into Celgene Corporation ( **Celgene** ), as described in the Agreement and Plan of Merger, dated as of January 2, 2019, among Bristol-Myers Squibb, Merger Sub and Celgene and in the enclosed joint proxy statement/prospectus.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the **Securities Act**), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company and emerging growth company in Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the **Exchange Act**).

Large accelerated filer	<input type="radio"/>	Accelerated filer	<input type="radio"/>
Non-accelerated filer	<input type="radio"/>	Smaller reporting company	<input type="radio"/>
		Emerging growth company	<input type="radio"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value \$0.10 per share	793,707,202 <sup>(1)</sup>	Not Applicable	\$ 29,613,215,706.62 <sup>(2)</sup>	\$ 3,589,121.74 <sup>(3)</sup>
Contingent Value Rights (CVRs)	793,707,202 <sup>(1)</sup>	Not Applicable	<sup>(2)</sup>	<sup>(3)</sup>

(1) Represents the maximum number of shares of common stock, par value \$0.10 per share, of Bristol-Myers Squibb Company ( Bristol-Myers Squibb ), and the maximum number of contingent value rights ( CVRs ), issuable to holders of common stock, par value \$0.01 per share, of Celgene Corporation ( Celgene ) and to holders of certain Celgene options, restricted stock units, performance stock units and restricted stock awards, in connection with the proposed merger described in this registration statement. The maximum number of shares of Bristol-Myers Squibb common stock and CVRs issuable pursuant to the merger is equal to the product of (a) the sum of (i) 700,238,758, the number of shares of Celgene common stock outstanding as of December 31, 2018, (ii)

71,139,116, the number of shares of Celgene common stock issuable upon the exercise of Celgene options outstanding as of December 31, 2018, (iii) 11,676,491, the number of shares of Celgene common stock issuable in respect of Celgene restricted stock units outstanding as of December 31, 2018, (iv) 671,715, the number of shares of Celgene common stock issuable in respect of Celgene performance stock units outstanding as of December 31, 2018, and (v) 9,981,122, which is an estimate of the number of shares of Celgene common stock issuable in respect of Celgene equity awards that may be granted subsequent to December 31, 2018 in compliance with the provisions of the merger agreement described in this registration statement, and (b) a multiple of 1, the exchange ratio in the merger.

(2) Determined on a combined basis with respect to both the shares of Bristol-Myers Squibb common stock and the CVRs to be issued pursuant to the proposed merger described in this registration statement based on Rules 457(c), 457(f)(1) and 457(f)(3) promulgated under the Securities Act, and solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act, as the result of (a) the product of (i) \$87.31 (the average of the high and low prices of the Celgene common stock as reported on The NASDAQ Global Select Market on January 28, 2019) and (ii) the Estimated Number, less (b) \$39,685,360,100 (the estimated amount of cash consideration that would be paid by Bristol-Myers Squibb in connection with the merger which is the product of the Estimated Number and \$50.00)).

(3) Determined on a combined basis with respect to both the shares of Bristol-Myers Squibb common stock and the CVRs to be issued pursuant to the proposed merger described in this registration statement in accordance with Section 6(b) of the Securities Act at a rate equal to \$121.20 per \$1,000,000 of the proposed maximum aggregate offering price.

**This registration statement shall hereafter become effective in accordance with the provisions of Section 8(a) of the Securities Act of 1933.**

TABLE OF CONTENTS

**Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the U.S. Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale is not permissible.**

**PRELIMINARY—SUBJECT TO COMPLETION—DATED FEBRUARY 1, 2019**

**MERGER PROPOSAL—YOUR VOTE IS VERY IMPORTANT**

February 1, 2019

Dear Bristol-Myers Squibb Company Stockholders and Celgene Corporation Stockholders:

On behalf of the boards of directors of Bristol-Myers Squibb Company ( Bristol-Myers Squibb ) and Celgene Corporation ( Celgene ), we are pleased to enclose the joint proxy statement/prospectus relating to the merger of Celgene with a wholly-owned subsidiary of Bristol-Myers Squibb, which is referred to in this notice as the merger, pursuant to the terms of a merger agreement entered into by Bristol-Myers Squibb and Celgene on January 2, 2019, which is referred to in this notice as the merger agreement.

**If the merger is completed, Celgene stockholders immediately prior to the completion of the merger will be entitled to receive \$50.00 in cash, one share of Bristol-Myers Squibb common stock and one contingent value right (each, a CVR ) for each share of Celgene common stock held by them, as described in more detail in the accompanying joint proxy statement/prospectus under the heading The Merger Agreement—Merger Consideration.** Based on the closing price of a share of Bristol-Myers Squibb common stock on January 31, 2019, the most recent trading day prior to the date of the accompanying joint proxy statement/prospectus for which this information was available, the cash and stock components of the merger consideration represented approximately \$99.37 in value per share of Celgene common stock (without considering any potential CVR payout). The value of the consideration to be received by Celgene stockholders will fluctuate with changes in the price of the shares of Bristol-Myers Squibb common stock. We urge you to obtain current market quotations for shares of Bristol-Myers Squibb common stock and shares of Celgene common stock. Shares of Bristol-Myers Squibb common stock are traded on the New York Stock Exchange (the NYSE ) under the symbol BMY and shares of Celgene common stock are traded on the Nasdaq Global Select Market ( Nasdaq ) under the symbol CELG. The CVRs are a new security for which there is currently no public trading market.

In connection with the merger, Bristol-Myers Squibb stockholders are cordially invited to attend a special meeting of the stockholders of Bristol-Myers Squibb to be held on April 12, 2019 at the offices of Kirkland & Ellis LLP located at 601 Lexington Avenue, New York, New York 10022, at 10:00 a.m., Eastern Time, and Celgene stockholders are cordially invited to attend a special meeting of the stockholders of Celgene to be held at the offices of Wachtell, Lipton, Rosen & Katz located at 51 West 52<sup>nd</sup> Street, New York, New York 10019 on April 12, 2019, at 10:00 a.m., Eastern Time.

**Your vote is very important, regardless of the number of shares you own. We cannot complete the merger and the merger consideration will not be paid unless (i) Bristol-Myers Squibb stockholders approve the issuance of shares of Bristol-Myers Squibb common stock in the merger and (ii) Celgene stockholders adopt the merger agreement. Approval of the issuance of shares of Bristol-Myers Squibb common stock in the merger by Bristol-Myers Squibb stockholders requires the affirmative vote of at least a majority of the votes cast by**

**holders of outstanding shares of Bristol-Myers Squibb common stock and Bristol-Myers Squibb preferred stock voting together as one class, which are referred to together in this notice as Bristol-Myers Squibb stock, at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present. Adoption of the merger agreement by Celgene stockholders requires the affirmative vote of holders of at least a majority of the outstanding shares of Celgene common stock entitled to vote thereon.**

At the special meeting of the stockholders of Bristol-Myers Squibb, Bristol-Myers Squibb stockholders will be asked to vote on (i) a proposal to approve the issuance of shares of Bristol-Myers Squibb common stock in the merger and (ii) a proposal to approve the adjournment from time to time of the Bristol-Myers Squibb special meeting if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the issuance of shares of Bristol-Myers Squibb common stock in the merger.

**Bristol-Myers Squibb's board of directors determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger and the issuance of shares of Bristol-Myers Squibb common stock in the merger, are advisable, fair to and in the best interests of Bristol-Myers Squibb and its stockholders and unanimously recommends that Bristol-Myers Squibb stockholders vote (i) FOR the approval of the issuance of shares of Bristol-Myers Squibb common stock in the merger and (ii) FOR the approval of the adjournment from time to time of the Bristol-Myers Squibb special meeting if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the issuance of shares of Bristol-Myers Squibb common stock in the merger.**

TABLE OF CONTENTS

At the special meeting of the stockholders of Celgene, Celgene stockholders will be asked to vote on (i) a proposal to adopt the merger agreement, (ii) a proposal to approve the adjournment from time to time of the Celgene special meeting if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof, and (iii) a proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.

**Celgene's board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger, are advisable, fair to and in the best interests of Celgene and its stockholders and unanimously recommends that Celgene stockholders vote (i) FOR the adoption of the merger agreement, (ii) FOR the approval of the adjournment from time to time of the Celgene special meeting if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof, and (iii) FOR the proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.**

Bristol-Myers Squibb expects to issue up to approximately 701,024,507 shares of its common stock and up to approximately 701,024,507 CVRs to Celgene stockholders in the merger. In addition, shares of Bristol-Myers Squibb common stock and CVRs may be issued from time to time following the effective time of the merger to holders of Celgene equity awards on the terms set forth in the merger agreement. See *The Merger Agreement—Treatment of Celgene Equity Awards* beginning on page 174 of the accompanying joint proxy statement/prospectus for a more detailed explanation. Based on the number of shares of Bristol-Myers Squibb common stock outstanding as of January 24, 2019, and the number of shares of Celgene common stock outstanding as of January 29, 2019, immediately following completion of the merger, Bristol-Myers Squibb stockholders immediately prior to the completion of the merger are expected to own approximately 69% of the outstanding shares of Bristol-Myers Squibb common stock and former Celgene stockholders are expected to own approximately 31% of the outstanding shares of Bristol-Myers Squibb common stock.

The accompanying joint proxy statement/prospectus provides important information regarding the Bristol-Myers Squibb and Celgene special meetings and a detailed description of the merger agreement, the merger, the issuance of shares of Bristol-Myers Squibb common stock and CVRs in the merger, the adjournment proposals and the proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger. We urge you to read carefully and in its entirety the accompanying joint proxy statement/prospectus (including the annexes and any documents incorporated by reference into the accompanying joint proxy statement/prospectus). **Please pay particular attention to the section entitled Risk Factors beginning on page 38 of the accompanying joint proxy statement/prospectus.** You can also obtain information about Bristol-Myers Squibb and Celgene from documents that Bristol-Myers Squibb and Celgene previously have filed with the U.S. Securities and Exchange Commission.

For a discussion of the material U.S. federal income tax consequences of the merger, see *Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences* beginning on page 164 of the accompanying joint proxy statement/prospectus.

Whether or not you expect to attend your company's special meeting, the details of which are described in the accompanying joint proxy statement/prospectus, please immediately submit your proxy by telephone, by the Internet or by completing, signing, dating and returning your signed proxy card(s) in the enclosed prepaid return envelope so that your shares may be represented at the applicable special meeting.

If Bristol-Myers Squibb stockholders have any questions or require assistance in voting their shares of Bristol-Myers Squibb stock, they should call MacKenzie Partners, Inc., Bristol-Myers Squibb's proxy solicitor for its special meeting, toll-free at (800) 322-2885 or collect at (212) 929-5500.

If Celgene stockholders have any questions or require assistance in voting their shares of Celgene common stock, they should call Innisfree M&A Incorporated, Celgene's proxy solicitor for its special meeting, toll-free at (877) 750-9497 or (412) 232-3651 for international callers. Banks and brokers may call collect at (212) 750-5833.

We hope to see you at the applicable special meeting and look forward to the successful completion of the merger.

On behalf of the boards of directors of Bristol-Myers Squibb and Celgene, thank you for your consideration and continued support.

Sincerely,

Sincerely,

Giovanni Caforio, M.D.  
Chairman of the Board of Directors and  
Chief Executive Officer of Bristol-Myers Squibb

Mark J. Alles  
Chairman of the Board of Directors and  
Chief Executive Officer of Celgene

**Neither the U.S. Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under the accompanying joint proxy statement/prospectus or determined that the accompanying joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

The accompanying joint proxy statement/prospectus is dated February 1, 2019 and is first being mailed to Bristol-Myers Squibb stockholders and Celgene stockholders on or about February 22, 2019.

TABLE OF CONTENTS

**430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor  
New York, New York 10016  
(212) 546-4000**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS  
OF BRISTOL-MYERS SQUIBB COMPANY  
TO BE HELD ON FRIDAY, APRIL 12, 2019  
10:00 A.M., EASTERN TIME**

To the Stockholders of Bristol-Myers Squibb Company:

**NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Bristol-Myers Squibb Company, a Delaware corporation, which is referred to in this notice as Bristol-Myers Squibb, will be held at the offices of Kirkland & Ellis LLP located at 601 Lexington Avenue, New York, New York 10022, on Friday, April 12, 2019, at 10:00 a.m., Eastern Time, for the following purposes:**

- to consider and vote on a proposal to approve the issuance of shares of Bristol-Myers Squibb common stock, par value \$0.10 per share, which is referred to in this notice as Bristol-Myers Squibb common stock, in the merger contemplated by the Agreement and Plan of Merger, dated as of January 2, 2019, as it may be amended from time to time, which is referred to in this notice as the merger agreement, among Bristol-Myers Squibb, Burgundy
1. Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Bristol-Myers Squibb, and Celgene Corporation, a Delaware corporation, which is referred to in this notice as Celgene, pursuant to which Burgundy Merger Sub, Inc. will be merged with and into Celgene, which is referred to in this notice as the merger, with Celgene surviving the merger as a wholly-owned subsidiary of Bristol-Myers Squibb (a copy of the merger agreement is attached as Annex A to the accompanying joint proxy statement/prospectus); and
  2. to consider and vote on a proposal to approve the adjournment from time to time of the special meeting of stockholders of Bristol-Myers Squibb, which is referred to in this notice as the Bristol-Myers Squibb special meeting, if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the issuance of shares of Bristol-Myers Squibb common stock in the merger.

Bristol-Myers Squibb's board of directors has fixed the close of business on March 1, 2019 as the record date for the determination of the stockholders entitled to vote at the Bristol-Myers Squibb special meeting or any adjournment or postponement thereof. Only stockholders of record at the record date are entitled to notice of, and to vote at, the Bristol-Myers Squibb special meeting or any adjournment or postponement thereof. Bristol-Myers Squibb anticipates commencing its solicitation of proxies on or about February 22, 2019. Bristol-Myers Squibb will continue to solicit proxies until the date of the Bristol-Myers Squibb special meeting. All stockholders of record as of that date are cordially invited to attend the special meeting in person. If you plan to attend the Bristol-Myers Squibb special meeting, admission will be by ticket only. A form of government-issued photograph identification will be required to enter the meeting. If you are a registered stockholder (your shares are held in your name), you should bring the top portion of the proxy card, which will serve as your admission ticket.

If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record) and plan to attend the meeting, you can obtain an admission ticket in advance by writing to Shareholder Services, 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016. Please be sure to enclose proof of ownership, such as a bank or brokerage account statement. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the Registration Desk on the day of the special meeting.



**Your vote is very important, regardless of the number of shares of Bristol-Myers Squibb stock that you own.**  
Approval of the issuance of shares of Bristol-Myers Squibb common stock in the merger requires the affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb

TABLE OF CONTENTS

stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present. Approval of the adjournment proposal requires the affirmative vote of a majority of the votes present at the Bristol-Myers Squibb special meeting by holders of shares of Bristol-Myers Squibb stock entitled to vote (whether or not a quorum is present).

**Bristol-Myers Squibb's board of directors determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger and the issuance of shares of Bristol-Myers Squibb common stock in the merger, are advisable, fair to and in the best interests of Bristol-Myers Squibb and its stockholders and unanimously recommends that Bristol-Myers Squibb stockholders vote (i) FOR the approval of the issuance of shares of Bristol-Myers Squibb common stock in the merger and (ii) FOR the approval of the adjournment from time to time of the Bristol-Myers Squibb special meeting if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the issuance of shares of Bristol-Myers Squibb common stock in the merger.**

By Order of the Board of Directors,

Giovanni Caforio, M.D.  
Chairman of the Board of Directors and Chief Executive Officer  
New York, New York  
February 1, 2019

***IMPORTANT INFORMATION IF YOU PLAN TO ATTEND THE BRISTOL-MYERS SQUIBB SPECIAL MEETING IN PERSON:***

A form of government-issued photograph identification will be required to enter the meeting.

***If you hold your shares of Bristol-Myers Squibb stock through a brokerage account (in street name), you will also need an account statement or letter from the nominee indicating that you were the beneficial owner of the shares at the record date to be admitted to the Bristol-Myers Squibb special meeting.***

*Large bags, backpacks, briefcases, cameras, recording equipment and other electronic devices will not be permitted in the meeting, and attendees will be subject to security inspections. We will provide, upon request, wireless headsets for hearing amplification.*

TABLE OF CONTENTS

**YOUR VOTE IS IMPORTANT!**

**WHETHER OR NOT YOU EXPECT TO ATTEND THE BRISTOL-MYERS SQUIBB SPECIAL MEETING IN PERSON, WE URGE YOU TO SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE (1) VIA THE INTERNET, (2) BY TELEPHONE OR (3) BY COMPLETING, SIGNING AND DATING THE ENCLOSED BRISTOL-MYERS SQUIBB PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED. IF YOU ATTEND THE BRISTOL-MYERS SQUIBB SPECIAL MEETING IN PERSON AND WISH TO VOTE YOUR SHARES OF BRISTOL-MYERS SQUIBB STOCK AT THE BRISTOL-MYERS SQUIBB SPECIAL MEETING, YOU MAY DO SO AT ANY TIME PRIOR TO THE CLOSING OF THE POLLS AT THE BRISTOL-MYERS SQUIBB SPECIAL MEETING.** You may revoke your proxy or change your vote for shares of Bristol-Myers Squibb stock you hold directly in your name by (i) signing another proxy card with a later date and delivering it to Broadridge before the date of the Bristol-Myers Squibb special meeting (we recommend you mail your proxy by April 4, 2019 to ensure timely receipt of your proxy), (ii) submitting revised votes over the Internet or by telephone before 11:59 p.m., Eastern Time, on Monday, April 8, 2019 for shares in employee benefit plans or on Thursday, April 11, 2019 for all other shares, or (iii) attending the Bristol-Myers Squibb special meeting in person and voting your shares of Bristol-Myers Squibb stock at the Bristol-Myers Squibb special meeting. If your shares of Bristol-Myers Squibb stock are held in the name of a bank, broker or other nominee holder of record, please follow the instructions on the voting instruction form furnished to you by such record holder.

The accompanying joint proxy statement/prospectus contains a detailed description of the merger, the merger agreement and the other matters to be considered at the meeting. We urge you to read carefully the accompanying joint proxy statement/prospectus, including all documents incorporated by reference into the accompanying joint proxy statement/prospectus, and its annexes, in their entirety. If you have any questions concerning the merger agreement, the merger, the issuance of shares of Bristol-Myers Squibb common stock or the CVRs in the merger, the adjournment proposal, the Bristol-Myers Squibb special meeting or the accompanying joint proxy statement/prospectus (or any other information contained therein), would like additional copies of the accompanying joint proxy statement/prospectus or need help voting your shares of Bristol-Myers Squibb stock, please contact:

MacKenzie Partners, Inc.  
1407 Broadway, 27<sup>th</sup> Floor  
New York, New York 10018  
Telephone (Toll-Free): (800) 322-2885  
Telephone (Collect): (212) 929-5500  
Email: proxy@mackenziepartners.com

or

Bristol-Myers Squibb Company  
430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor  
New York, New York 10016  
Attention: Corporate Secretary  
Telephone: (212) 546-3309

TABLE OF CONTENTS

**Celgene Corporation**  
**86 Morris Avenue**  
**Summit, New Jersey 07901**  
**(908) 673-9000**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS OF  
CELGENE CORPORATION  
TO BE HELD ON FRIDAY, APRIL 12, 2019  
10:00 A.M., EASTERN TIME**

To the Stockholders of Celgene Corporation:

**NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Celgene Corporation, a Delaware corporation, which is referred to in this notice as Celgene, will be held at the offices of Wachtell, Lipton, Rosen & Katz located at 51 West 52<sup>nd</sup> Street, New York, New York 10019, on Friday, April 12, 2019, at 10:00 a.m., Eastern Time, for the following purposes:**

1. to consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of January 2, 2019, as it may be amended from time to time, which is referred to in this notice as the merger agreement, among Bristol-Myers Squibb Company, a Delaware corporation, which is referred to in this notice as Bristol-Myers Squibb, Burgundy Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Bristol-Myers Squibb, and Celgene, pursuant to which Burgundy Merger Sub, Inc. will be merged with and into Celgene, which is referred to in this notice as the merger, with Celgene surviving the merger as a wholly-owned subsidiary of Bristol-Myers Squibb (a copy of the merger agreement is attached as Annex A to the accompanying joint proxy statement/prospectus);
2. to consider and vote on a proposal to approve the adjournment from time to time of the special meeting of stockholders of Celgene, which is referred to in this notice as the Celgene special meeting, if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof; and
3. to consider and vote on a proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.

The holders of record of shares of Celgene common stock, par value \$0.01 per share, which are referred to in this notice as shares of Celgene common stock, at the close of business on March 1, 2019 are entitled to notice of and to vote at the Celgene special meeting or any adjournment or postponement thereof. Celgene anticipates commencing its solicitation of proxies on or about February 22, 2019. Celgene will continue to solicit proxies until the date of the Celgene special meeting.

If you hold shares of Celgene common stock in your name at the record date and plan to attend the Celgene special meeting, because of security procedures, you will need to obtain an admission ticket in advance. Tickets will be available to registered and beneficial owners. You can print your own tickets and you must bring them to the meeting to gain access. Tickets can be printed by accessing Shareholder Meeting Registration at [www.ProxyVote.com](http://www.ProxyVote.com) and following the instructions provided (you will need the 16 digit number included on your proxy card or voter instruction form). If you are unable to print your tickets, please contact Celgene's Corporate Secretary at 1-908-673-9000. Requests for admission tickets will be processed in the order in which they are received and must be submitted no later than 11:59 p.m. (Eastern Time) on April 11, 2019. Please note that seating is limited and requests for tickets will be accepted on a first-come, first-served basis. If you received your special meeting materials electronically and wish to attend the meeting, please follow the instructions provided for attendance. If you are

attending the Celgene special meeting in person, you will be required to present valid, government-issued photo identification, such as a driver's license or passport, and an admission ticket to be admitted to the Celgene special meeting.

Adoption of the merger agreement requires the affirmative vote, in person or by proxy, of the holders of a majority of the shares of Celgene common stock outstanding and entitled to vote thereon. Approval of the

TABLE OF CONTENTS

adjournment proposal requires the affirmative vote of a majority of the votes present at the Celgene special meeting by holders of shares of Celgene common stock (whether or not a quorum, as defined under Celgene's by-laws, is present). Approval of the proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger requires the affirmative vote of a majority of the votes cast at the Celgene special meeting by holders of shares of Celgene common stock (assuming a quorum, as defined under Celgene's by-laws, is present).

**Celgene's board of directors unanimously determined that the merger agreement and the transactions contemplated by the merger agreement (including the merger) are fair to and in the best interests of Celgene and its stockholders and unanimously recommends that Celgene stockholders vote (i) FOR the proposal to adopt the merger agreement, (ii) FOR the proposal to approve the adjournment from time to time of the Celgene special meeting if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof and (iii) FOR the proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.**

By Order of the Board of Directors,

Mark J. Alles  
Chairman of the Board of Directors and  
Chief Executive Officer  
Summit, New Jersey  
February 1, 2019

*IMPORTANT INFORMATION IF YOU PLAN TO ATTEND THE CELGENE SPECIAL MEETING IN PERSON:*

*If you hold your shares of Celgene common stock through a brokerage account (in street name), your request for an admission ticket must include proof of beneficial ownership at the record date, such as a copy of a brokerage statement reflecting stock ownership as of the record date or a letter from a bank or broker.*

*Please leave all weapons, cameras, audio and video recording devices and other electronic devices at home. They will not be allowed in the meeting room.*

TABLE OF CONTENTS

**YOUR VOTE IS IMPORTANT!**

**WHETHER OR NOT YOU EXPECT TO ATTEND THE CELGENE SPECIAL MEETING IN PERSON, WE URGE YOU TO SUBMIT YOUR PROXY AS PROMPTLY AS POSSIBLE (1) VIA THE INTERNET, (2) BY TELEPHONE OR (3) BY COMPLETING, SIGNING AND DATING THE ENCLOSED CELGENE PROXY CARD AND RETURNING IT IN THE POSTAGE-PAID ENVELOPE PROVIDED. IF YOU ATTEND THE CELGENE SPECIAL MEETING IN PERSON AND WISH TO VOTE YOUR SHARES AT THE CELGENE SPECIAL MEETING, YOU MAY DO SO AT ANY TIME PRIOR TO THE CLOSING OF THE POLLS AT THE CELGENE SPECIAL MEETING.** You may revoke your proxy or change your vote for shares of Celgene common stock you hold directly in your name by (i) signing another proxy card with a later date and delivering it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, New York 11717 before (i) the close of business on April 9, 2019 for shares held in the Celgene 401(k) Plan and (ii) the Celgene special meeting for all other shares, (iii) submitting revised votes over the Internet or by telephone before 11:59 p.m., Eastern Time, on (A) April 9, 2019 for shares held in the Celgene 401(k) Plan or (B) April 11, 2019 for all other shares, or (iv) attending the Celgene special meeting in person and voting your shares of Celgene common stock at the Celgene special meeting. If your shares of Celgene common stock are held in the name of a bank, broker or other nominee holder of record, please follow the instructions on the voting instruction form furnished to you by such record holder.

**Celgene cannot complete the merger and the merger consideration will not be paid unless its stockholders adopt the merger agreement and the other closing conditions specified in the merger agreement are met. Because adoption of the merger agreement requires the affirmative vote of the holders of at least a majority of shares of Celgene common stock outstanding and entitled to vote thereon, a Celgene stockholder's abstention from voting, the failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.**

We urge you to read carefully the accompanying joint proxy statement/prospectus, including all documents incorporated by reference into the accompanying joint proxy statement/prospectus, and its annexes, in their entirety. If you have any questions concerning the merger agreement, the merger, the vote on the merger agreement, the adjournment proposal, the advisory (non-binding) proposal to approve the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger, the Celgene special meeting or the accompanying joint proxy statement/prospectus (or any other information contained therein), would like additional copies of the accompanying joint proxy statement/prospectus or need help voting your shares of Celgene common stock, please contact:

Innisfree M&A Incorporated  
501 Madison Avenue, 20<sup>th</sup> Floor  
New York, New York 10022  
Telephone (Toll-Free): (877) 750-9497  
International Callers: (412) 232-3651  
Bankers and brokers may call collect: (212) 750-5833

or

Celgene Corporation  
86 Morris Avenue

Summit, New Jersey 07901  
Attention: Corporate Secretary  
Telephone: (908) 673-9000



TABLE OF CONTENTS

**REFERENCES TO ADDITIONAL INFORMATION**

The accompanying document is the proxy statement of Bristol-Myers Squibb for its special meeting of stockholders, the proxy statement of Celgene for its special meeting of stockholders and the prospectus of Bristol-Myers Squibb for the shares of its common stock and CVRs to be issued in the merger. The accompanying joint proxy statement/prospectus incorporates by reference important business and financial information about Bristol-Myers Squibb and Celgene from documents that are not included in or delivered with the accompanying joint proxy statement/prospectus. You can obtain the documents that are incorporated by reference into the accompanying joint proxy statement/prospectus (other than certain exhibits or schedules to those documents), without charge, by requesting them in writing or by telephone from Bristol-Myers Squibb or Celgene, respectively, at the following addresses and telephone numbers, or through the U.S. Securities and Exchange Commission website at [www.sec.gov](http://www.sec.gov):

**Bristol-Myers Squibb Company**  
430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor  
New York, New York 10016  
Attention: Corporate Secretary  
Telephone: (212) 546-3309

**Celgene Corporation**  
86 Morris Avenue  
Summit, New Jersey 07901  
Attention: Corporate Secretary  
Telephone: (908) 673-9000

In addition, if you have questions about the merger or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus, or need to obtain proxy cards or other information related to the proxy solicitation, please contact MacKenzie Partners, Inc., the proxy solicitor for Bristol-Myers Squibb, toll-free at (800) 322-2885 or collect at (212) 929-5500, if you are a Bristol-Myers Squibb stockholder, or Innisfree M&A Incorporated, the proxy solicitor for Celgene, toll-free at (877) 750-9497 or (412) 232-3651 for international callers, if you are a Celgene stockholder, or banks and brokers may call Innisfree M&A Incorporated collect at (212) 750-5833. You will not be charged for any of these documents that you request.

To obtain timely delivery of the documents, you must request them no later than five business days before the date of the applicable special meeting. Therefore, if you are a Bristol-Myers Squibb stockholder and would like to request documents from Bristol-Myers Squibb, please contact MacKenzie Partners, Inc. by April 5, 2019 in order to receive them before the Bristol-Myers Squibb special meeting. If you are a Celgene stockholder and would like to request documents from Celgene, please contact Innisfree M&A Incorporated by April 5, 2019 in order to receive them before the Celgene special meeting.

See **Where You Can Find More Information** beginning on page 250 of the accompanying joint proxy statement/prospectus for further information.

TABLE OF CONTENTS

**TABLE OF CONTENTS**

	<b>Page</b>
<u>QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS</u>	1
<u>SUMMARY</u>	20
<u>The Companies</u>	20
<u>The Merger</u>	21
<u>Special Meeting of Stockholders of Bristol-Myers Squibb</u>	21
<u>Special Meeting of Stockholders of Celgene</u>	22
<u>What Celgene Stockholders Will Receive in the Merger</u>	23
<u>Treatment of Celgene Equity Awards</u>	24
<u>Recommendation of the Celgene Board of Directors</u>	25
<u>Recommendation of the Bristol-Myers Squibb Board of Directors</u>	25
<u>Opinions of Celgene’s Financial Advisors</u>	26
<u>Opinions of Bristol-Myers Squibb’s Financial Advisors</u>	26
<u>Ownership of Bristol-Myers Squibb Common Stock After the Merger</u>	28
<u>Governance Matters Following Completion of the Merger</u>	28
<u>Interests of Celgene’s Directors and Executive Officers in the Merger</u>	28
<u>Listing of Bristol-Myers Squibb Common Stock and CVRs; Delisting and Deregistration of Shares of Celgene Common Stock</u>	28
<u>Appraisal or Dissenters’ Rights Available to Celgene Stockholders</u>	29
<u>Completion of the Merger Is Subject to Certain Conditions</u>	29
<u>The Merger May Not Be Completed Without the Required Regulatory Approvals</u>	30
<u>Description of Debt Financing</u>	31
<u>Bristol-Myers Squibb and Celgene Expect the Merger to be Completed in the Third Quarter of 2019</u>	32
<u>No Solicitation by Celgene or Bristol-Myers Squibb</u>	33
<u>Termination of the Merger Agreement</u>	34
<u>Termination Fees and Expenses</u>	35
<u>Specific Performance; Remedies</u>	36
<u>Material U.S. Federal Income Tax Consequences</u>	37
<u>Accounting Treatment</u>	37
<u>Rights of Celgene Stockholders Will Change as a Result of the Merger</u>	37
<u>Litigation Relating to the Merger</u>	37
<u>Risk Factors</u>	37
<u>RISK FACTORS</u>	38
<u>Risks Related to the Merger</u>	38
<u>Risks Related to the CVRs</u>	49
<u>Risks Related to Bristol-Myers Squibb and Celgene</u>	51
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF BRISTOL-MYERS SQUIBB</u>	52

<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CELGENE</u>	<u>54</u>
<u>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA COMBINED PER SHARE DATA</u>	<u>56</u>
<u>CERTAIN UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	<u>58</u>
<u>NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	<u>63</u>
<u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u>	<u>77</u>
<u>Market Prices</u>	<u>77</u>
<u>Dividends</u>	<u>78</u>
<u>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</u>	<u>79</u>
<u>THE COMPANIES</u>	<u>81</u>
<u>Bristol-Myers Squibb</u>	<u>81</u>
<u>Celgene</u>	<u>81</u>
<u>Burgundy Merger Sub. Inc.</u>	<u>81</u>
<u>SPECIAL MEETING OF STOCKHOLDERS OF BRISTOL-MYERS SQUIBB</u>	<u>82</u>

TABLE OF CONTENTS

	<b>Page</b>
<u>Date, Time and Location</u>	<u>82</u>
<u>Purpose</u>	<u>82</u>
<u>Recommendation of the Bristol-Myers Squibb Board of Directors</u>	<u>82</u>
<u>Bristol-Myers Squibb Record Date; Outstanding Shares; Stockholders Entitled to Vote</u>	<u>83</u>
<u>Quorum</u>	<u>83</u>
<u>Required Vote</u>	<u>83</u>
<u>Stock Ownership of and Voting by Bristol-Myers Squibb Directors and Executive Officers</u>	<u>84</u>
<u>Voting of Shares</u>	<u>84</u>
<u>Revocability of Proxies; Changing Your Vote</u>	<u>85</u>
<u>Solicitation of Proxies; Expenses of Solicitation</u>	<u>85</u>
<u>Householding</u>	<u>85</u>
<u>Adjournment</u>	<u>85</u>
<u>Other Information</u>	<u>86</u>
<u>Assistance</u>	<u>86</u>
<u>SPECIAL MEETING OF STOCKHOLDERS OF CELGENE</u>	<u>87</u>
<u>Date, Time and Location</u>	<u>87</u>
<u>Purpose</u>	<u>87</u>
<u>Recommendation of the Celgene Board of Directors</u>	<u>87</u>
<u>Celgene Record Date; Outstanding Shares; Stockholders Entitled to Vote</u>	<u>88</u>
<u>Quorum</u>	<u>88</u>
<u>Required Vote</u>	<u>88</u>
<u>Stock Ownership of and Voting by Celgene Directors and Executive Officers</u>	<u>89</u>
<u>Voting of Shares</u>	<u>89</u>
<u>Revocability of Proxies; Changing Your Vote</u>	<u>91</u>
<u>Solicitation of Proxies; Expenses of Solicitation</u>	<u>91</u>
<u>Householding</u>	<u>91</u>
<u>Adjournment</u>	<u>92</u>
<u>Other Information</u>	<u>92</u>
<u>Assistance</u>	<u>92</u>
<u>CELGENE PROPOSAL I: ADOPTION OF THE MERGER AGREEMENT AND BRISTOL-MYERS SQUIBB PROPOSAL I: APPROVAL OF THE STOCK ISSUANCE</u>	<u>93</u>
<u>General</u>	<u>93</u>
<u>Background of the Merger</u>	<u>93</u>
<u>Certain Relationships between Bristol-Myers Squibb and Celgene</u>	<u>105</u>
<u>Celgene’s Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement</u>	<u>105</u>
<u>Bristol-Myers Squibb’s Reasons for the Merger; Recommendation of the Bristol-Myers Squibb Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance</u>	<u>109</u>

<u>Opinions of Celgene's Financial Advisors</u>	<u>113</u>
<u>Opinions of Bristol-Myers Squibb's Financial Advisors</u>	<u>132</u>
<u>Summary of Financial Analyses by Morgan Stanley, Dyal Co. and Evercore</u>	<u>142</u>
<u>Certain Unaudited Prospective Financial Information</u>	<u>150</u>
<u>Regulatory Approvals Required for the Merger</u>	<u>158</u>
<u>Appraisal or Dissenters' Rights for Celgene Stockholders</u>	<u>159</u>
<u>Material U.S. Federal Income Tax Consequences</u>	<u>164</u>
<u>Accounting Treatment</u>	<u>167</u>
<u>Listing of Bristol-Myers Squibb Common Stock; Delisting and Deregistration of Shares of Celgene Common Stock</u>	<u>168</u>
<u>Description of Debt Financing</u>	<u>168</u>
<u>Litigation Relating to the Merger</u>	<u>170</u>

TABLE OF CONTENTS

	<b>Page</b>
<u>THE MERGER AGREEMENT</u>	<u>171</u>
<u>INTERESTS OF CELGENE’S DIRECTORS AND EXECUTIVE OFFICERS IN THE MERGER</u>	<u>202</u>
<u>CELGENE PROPOSAL II: ADJOURNMENT OF THE CELGENE SPECIAL MEETING</u>	<u>208</u>
<u>CELGENE PROPOSAL III: ADVISORY VOTE ON MERGER-RELATED EXECUTIVE COMPENSATION ARRANGEMENTS</u>	<u>209</u>
<u>BRISTOL-MYERS SQUIBB PROPOSAL II: ADJOURNMENT OF THE BRISTOL-MYERS SQUIBB SPECIAL MEETING</u>	<u>210</u>
<u>DESCRIPTION OF BRISTOL-MYERS SQUIBB CAPITAL STOCK</u>	<u>211</u>
<u>Bristol-Myers Squibb Common Stock</u>	<u>211</u>
<u>Bristol-Myers Squibb Preferred Stock</u>	<u>211</u>
<u>Antitakeover Provisions</u>	<u>214</u>
<u>DESCRIPTION OF THE CVRS</u>	<u>216</u>
<u>Contingent Value Rights Agreement</u>	<u>216</u>
<u>Characteristics of the CVRs</u>	<u>216</u>
<u>Milestone Payments</u>	<u>216</u>
<u>Payment Date</u>	<u>217</u>
<u>Issuance of CVRs</u>	<u>217</u>
<u>Transferability of CVRs: Listing</u>	<u>217</u>
<u>Subordination</u>	<u>217</u>
<u>Reporting Obligations</u>	<u>218</u>
<u>Diligent Efforts</u>	<u>218</u>
<u>Covenants</u>	<u>219</u>
<u>Events of Default</u>	<u>219</u>
<u>Repurchase by Bristol-Myers Squibb and Affiliates</u>	<u>220</u>
<u>Amendment of CVR Agreement without Consent of CVR Holders</u>	<u>220</u>
<u>Amendment of CVR Agreement with Consent of CVR Holders</u>	<u>220</u>
<u>STOCK OWNERSHIP OF AND VOTING BY BRISTOL-MYERS SQUIBB DIRECTORS AND EXECUTIVE OFFICERS AND CERTAIN STOCKHOLDERS</u>	<u>221</u>
<u>STOCK OWNERSHIP OF AND VOTING BY CELGENE DIRECTORS AND EXECUTIVE OFFICERS AND CERTAIN STOCKHOLDERS</u>	<u>223</u>
<u>COMPARISON OF STOCKHOLDER RIGHTS</u>	<u>225</u>
<u>LEGAL MATTERS</u>	<u>246</u>
<u>EXPERTS</u>	<u>247</u>
<u>FUTURE STOCKHOLDER PROPOSALS</u>	<u>248</u>
<u>Bristol-Myers Squibb</u>	<u>248</u>
<u>Celgene</u>	<u>248</u>
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	<u>250</u>

TABLE OF CONTENTS

	<b>Page</b>
ANNEXES	
<u>Annex A—Agreement and Plan of Merger</u>	<u>A-1</u>
<u>Annex B—Form of Contingent Value Rights Agreement</u>	<u>B-1</u>
<u>Annex C—Opinion of J.P. Morgan Securities LLC</u>	<u>C-1</u>
<u>Annex D—Opinion of Citigroup Global Markets Inc.</u>	<u>D-1</u>
<u>Annex E—Opinion of Morgan Stanley &amp; Co. LLC</u>	<u>E-1</u>
<u>Annex F—Opinion of Dyal Co. LLC</u>	<u>F-1</u>
<u>Annex G—Opinion of Evercore Group L.L.C.</u>	<u>G-1</u>
<u>Annex H—Section 262 of the Delaware General Corporation Law</u>	<u>H-1</u>

TABLE OF CONTENTS**QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETINGS**

*The following are some questions that you, as a stockholder of Bristol-Myers Squibb Company, which is referred to in this joint proxy statement/prospectus as Bristol-Myers Squibb, or a stockholder of Celgene Corporation, which is referred to in this joint proxy statement/prospectus as Celgene, may have regarding the merger agreement, the merger, the stock issuance, the CVR issuance, the Bristol-Myers Squibb adjournment proposal, the Celgene adjournment proposal, the Celgene compensation advisory proposal and the special meetings as well as brief answers to those questions. You are urged to read carefully this joint proxy statement/prospectus, including all documents incorporated by reference into this joint proxy statement/prospectus, and its annexes, in their entirety because this section may not provide all of the information that is important to you with respect to the merger agreement, the merger, the stock issuance, the Bristol-Myers Squibb adjournment proposal, the Celgene adjournment proposal, the Celgene compensation advisory proposal and the special meetings. Additional important information is contained in the annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 250 of this joint proxy statement/prospectus.*

***Q: Why am I receiving this document and why am I being asked to vote on the merger agreement?***

A: Bristol-Myers Squibb and Celgene have agreed to a merger, which is referred to in this joint proxy statement/prospectus as the merger, pursuant to which Celgene will become a wholly-owned subsidiary of Bristol-Myers Squibb and will no longer be a publicly traded corporation. Following the merger, Celgene common stock will be delisted from the Nasdaq Global Select Market, which is referred to in this joint proxy statement/prospectus as Nasdaq, and deregistered under the Securities Exchange Act of 1934, as amended, which is referred to in this joint proxy statement/prospectus as the Exchange Act, and Celgene will no longer be required to file periodic reports with the U.S. Securities and Exchange Commission, which is referred to in this joint proxy statement/prospectus as the SEC, in respect of Celgene common stock. In order to complete the merger, holders of Bristol-Myers Squibb common stock and holders of Bristol-Myers Squibb preferred stock, whom are referred to in this joint proxy statement/prospectus as Bristol-Myers Squibb stockholders, must vote to approve the issuance of shares of Bristol-Myers Squibb common stock to Celgene stockholders in the merger, which issuance is referred to in this joint proxy statement/prospectus as the stock issuance, and Celgene stockholders must vote to adopt the Agreement and Plan of Merger, dated as of January 2, 2019, among Bristol-Myers Squibb, Celgene and Burgundy Merger Sub, Inc., a wholly-owned subsidiary of Bristol-Myers Squibb, which is referred to in this joint proxy statement/prospectus as Merger Sub. The merger agreement, as it may be amended from time to time, is referred to in this joint proxy statement/prospectus as the merger agreement.

Bristol-Myers Squibb is holding a special meeting of stockholders, which is referred to in this joint proxy statement/prospectus as the Bristol-Myers Squibb special meeting, in order to obtain the stockholder approval necessary to approve the stock issuance. **Approval of the stock issuance requires the affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb common stock and Bristol-Myers Squibb preferred stock, which is referred to in this joint proxy statement/prospectus as Bristol-Myers Squibb stock, at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present.** A majority of the votes cast means that the number of votes cast FOR the issuance of stock must exceed the number of votes cast AGAINST and ABSTENTIONS. Bristol-Myers Squibb stockholders will also be asked to approve the adjournment from time to time of the Bristol-Myers Squibb special meeting if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the stock issuance, which is referred to in this joint proxy statement/prospectus as the Bristol-Myers Squibb adjournment proposal. **Approval of the Bristol-Myers Squibb adjournment proposal requires the affirmative vote of a majority of the votes present at the Bristol-Myers Squibb special meeting by holders of shares of Bristol-Myers Squibb stock entitled to vote (whether or not a quorum is present).** A majority of the votes present means that the number of votes cast FOR the issuance of stock must exceed the number of votes cast AGAINST and ABSTENTIONS. **It is important that Bristol-Myers Squibb's stockholders vote their shares of Bristol-Myers Squibb stock on each of these matters, regardless of the number**



**of shares owned.**

1

TABLE OF CONTENTS

Celgene is holding a special meeting of stockholders, which is referred to in this joint proxy statement/prospectus as the Celgene special meeting, in order to obtain the stockholder approval necessary to adopt the merger agreement. **Adoption of the merger agreement requires the affirmative vote of holders of at least a majority of the outstanding shares of Celgene common stock entitled to vote thereon.** Celgene stockholders will also be asked to approve the adjournment from time to time of the Celgene special meeting if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof, which is referred to in this joint proxy statement/prospectus as the Celgene adjournment proposal, and to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers, whom are referred to in this joint proxy statement/prospectus as the named executive officers, in connection with the merger, which proposal is referred to in this joint proxy statement/prospectus as the Celgene compensation advisory proposal. **It is important that Celgene's stockholders vote their shares of Celgene common stock on each of these matters, regardless of the number of shares owned.**

This document is being delivered to you as both a joint proxy statement of Bristol-Myers Squibb and Celgene and a prospectus of Bristol-Myers Squibb in connection with the merger, the stock issuance and the issuance of contingent value rights, which issuance is referred to in this joint proxy statement/prospectus as the CVR issuance. This document is the proxy statement by which the Bristol-Myers Squibb board of directors, which is referred to in this joint proxy statement/prospectus as the BMS Board, is soliciting proxies from Bristol-Myers Squibb stockholders to vote at the Bristol-Myers Squibb special meeting, or at any adjournment or postponement of the Bristol-Myers Squibb special meeting, on the approval of the stock issuance and the approval of the Bristol-Myers Squibb adjournment proposal. In addition, this document is the prospectus of Bristol-Myers Squibb pursuant to which Bristol-Myers Squibb will issue shares of Bristol-Myers Squibb common stock and the contingent value rights, which are referred to in this joint proxy statement/prospectus as the CVRs, to Celgene stockholders as part of the merger consideration, as described under *The Merger Agreement—Merger Consideration* beginning on page 172 of this joint proxy statement/prospectus. This document is also the proxy statement by which the Celgene board of directors, which is referred to in this joint proxy statement as the Celgene Board, is soliciting proxies from Celgene stockholders to vote at the Celgene special meeting, or at any adjournment or postponement of the Celgene special meeting, on the adoption of the merger agreement, the approval of the Celgene adjournment proposal and the approval, on an advisory (non-binding) basis, of the Celgene compensation advisory proposal.

***Q: Is my vote important?***

A: Yes, your vote is very important. If you do not submit a proxy or vote in person at the meeting, it will be more difficult for us to obtain the necessary quorum to hold the meeting. In addition, for Celgene stockholders, an abstention from voting or a failure to vote will have the same effect as a vote **AGAINST** the adoption of the merger agreement. If you hold your shares of Celgene common stock in *street name* through a broker, bank or other nominee holder of record and you do not give voting instructions to that broker, bank or other nominee holder of record, that broker, bank or other nominee holder of record will not be able to vote your shares on the adoption of the merger agreement, and your failure to give those instructions will have the same effect as a vote **AGAINST** the adoption of the merger agreement. A Celgene stockholder's abstention from voting on the Celgene adjournment proposal will have the same effect as a vote **AGAINST** the approval of the Celgene adjournment proposal. The failure of a Celgene stockholder who holds his or her shares in *street name* through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the approval of the Celgene adjournment proposal because these failures to vote are not considered *votes present*. A Bristol-Myers Squibb stockholder's abstention from voting on the stock issuance will have the same effect as a vote **AGAINST** the approval of the proposal. The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in *street name* through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of the stock issuance proposal because these failures to vote are not considered *votes cast*.

A Bristol-Myers Squibb stockholder's abstention from voting on the Bristol-Myers Squibb adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a

**TABLE OF CONTENTS**

broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of the Bristol-Myers Squibb adjournment proposal because these failures to vote are not considered votes present. The Celgene Board unanimously recommends that Celgene stockholders vote FOR the adoption of the merger agreement, FOR the Celgene adjournment proposal and FOR the Celgene compensation advisory proposal, and the BMS Board unanimously recommends that Bristol-Myers Squibb stockholders vote FOR the approval of the stock issuance and FOR the approval of the Bristol-Myers Squibb adjournment proposal.

***Q: What will happen in the merger?***

In the merger, Merger Sub will be merged with and into Celgene. Celgene will be the surviving corporation in the merger, which is referred to in this joint proxy statement/prospectus as the surviving corporation or Celgene, and A: will be a wholly-owned subsidiary of Bristol-Myers Squibb following completion of the merger. Celgene will no longer be a publicly traded corporation, its shares will be delisted from Nasdaq and deregistered under the Exchange Act, and Celgene will cease to be publicly traded.

***Q: What will Celgene stockholders receive in the merger?***

If the merger is completed, each share of Celgene common stock, other than excluded stock and dissenting stock (each as defined below), will automatically be cancelled and converted into the right to receive \$50.00 in cash without interest thereon, which is referred to in this joint proxy statement/prospectus as the cash consideration, one share of Bristol-Myers Squibb common stock, which is referred to in this joint proxy statement/prospectus as the share consideration, and one CVR, which is referred to in this joint proxy statement/prospectus as the CVR consideration. The cash consideration, the share consideration and the CVR consideration are collectively referred to in this joint proxy statement/prospectus as the merger consideration. Shares of Celgene common stock (i) held in the treasury of Celgene or owned by Bristol-Myers Squibb or Merger Sub (other than any such shares owned by such entities in a fiduciary, representative or other capacity on behalf of other persons, whether or not held in a separate account) will each be cancelled and cease to exist, and no consideration will be delivered in exchange for such shares, (ii) held by any wholly-owned subsidiary, other than Merger Sub, of either Celgene or A: Bristol-Myers Squibb (other than any such shares owned by such entities in a fiduciary, representative or other capacity on behalf of other persons, whether or not held in a separate account) shall be converted into a number of fully paid and non-assessable shares of common stock of Celgene such that immediately following the completion of the merger its ownership percentage in Celgene is the same as its ownership percentage in Celgene immediately prior to the completion of the merger (the shares described in (i) and (ii) are collectively referred to in this joint proxy statement/prospectus as excluded stock) and (iii) held by Celgene stockholders who have properly demanded appraisal and otherwise complied with applicable Delaware law and not effectively withdrawn any demand for, or lost the right to, appraisal under Delaware law, will become entitled to the payment of the fair value of such shares determined in accordance with Delaware law as described under Appraisal or Dissenters' Rights for Celgene Stockholders beginning on page 159 of this joint proxy statement/prospectus (the shares described in (iii) are referred to in this joint proxy statement/prospectus as dissenting stock).

***Q: What is the value of the merger consideration?***

In the merger, each Celgene stockholder will receive, for each share of Celgene common stock they own as of immediately prior to the completion of the merger, other than excluded stock and dissenting stock, (i) the cash A: consideration, (ii) the share consideration and (iii) the CVR consideration, each as described under The Merger Agreement—Merger Consideration beginning on page 172 of this joint proxy statement/prospectus. Based on the closing price of shares of Bristol-Myers Squibb common stock on the New York Stock Exchange, which is referred to in this joint proxy statement/prospectus as the NYSE, on January 2, 2019, the last trading day prior to the announcement of the transaction, the upfront merger consideration represented approximately \$102.43 in value for each share of Celgene common stock (without considering any potential CVR payout). Based on the closing price of shares of Bristol-Myers Squibb common stock on the NYSE on January 31, 2019, the most recent trading day prior to the date of this joint proxy



TABLE OF CONTENTS

statement/prospectus for which this information was available, the cash and stock components of the merger consideration, which is referred to in this joint proxy statement/prospectus as the upfront merger consideration, represented approximately \$99.37 in value for each share of Celgene common stock (without considering any potential CVR payout). **Because Bristol-Myers Squibb will issue one share of Bristol-Myers Squibb common stock in exchange for each share of Celgene common stock, the value of the share consideration will depend on the market price of shares of Bristol-Myers Squibb common stock at the time the merger is completed. The market price of shares of Bristol-Myers Squibb common stock when Celgene stockholders receive those shares after the merger is completed will not be known at the time of the special meetings and could be greater than, less than or the same as the market price of shares of Bristol-Myers Squibb common stock on January 2, 2019, on the date of this joint proxy statement/prospectus or at the time of the special meetings or any adjournment or postponement thereof. Furthermore, there is uncertainty regarding the fair market value of the CVR and whether any payment will ultimately be realized on the CVRs. Because the exchange ratio is fixed and the market price of shares of Bristol-Myers Squibb common stock has fluctuated and will continue to fluctuate, and because of the uncertainty of the fair market value of, and the ultimate realization on, the CVRs, Celgene stockholders cannot be sure of the value of the merger consideration they will receive in the merger. See Risk Factors—Risks Related to the Merger.**

**Q: *What will be the respective ownership percentages of former Celgene stockholders and Bristol-Myers Squibb stockholders in the combined company?***

A: Based on the number of shares of Celgene common stock outstanding as of January 29, 2019, and the number of shares of Bristol-Myers Squibb common stock outstanding as of January 24, 2019, it is anticipated that, immediately after completion of the merger, former Celgene stockholders will own approximately 31% and existing Bristol-Myers Squibb stockholders will own approximately 69% of the combined company.

**Q: *What are the CVRs?***

A: The CVRs are contingent value rights to be issued by Bristol-Myers Squibb as part of the merger consideration to Celgene stockholders and certain holders of Celgene equity awards. Each CVR represents the right to receive a one-time cash payment of \$9.00 if the U.S. Food and Drug Administration, which is referred to in this joint proxy statement/prospectus as the FDA, approves, by the dates noted below, Celgene, Bristol-Myers Squibb or their respective affiliates to commercially manufacture, market and sell in United States all of the following three products for the indications noted below:

- by December 31, 2020, the product known as JCAR017 for the treatment of relapsed-refractory diffuse large B cell lymphoma in humans;
- by December 31, 2020, the product known as Ozanimod for the treatment of relapsing multiple sclerosis in humans; and
- by March 31, 2021, the product known as bb2121 for the treatment of relapsed/refractory multiple myeloma in humans.

For a more detailed description of the CVRs, see the section entitled *Description of the CVRs* beginning on page 216 of this joint proxy statement/prospectus.

**Q: *Is interest payable with respect to the CVRs?***

A: Generally, no. Except in the limited circumstance where the CVR payment has not been paid when due by Bristol-Myers Squibb under the CVR agreement (in which case, default interest accrues until the CVR payment is paid), no interest will accrue on the CVRs.

**Q: *Is the CVR payment secured or guaranteed?***

A: No. The CVR payment is neither secured nor guaranteed. The CVR payment, if any becomes due, is an unsecured general obligation of Bristol-Myers Squibb and is not guaranteed by Bristol-Myers Squibb or any of its affiliates.

TABLE OF CONTENTS***Q: Can I sell the CVRs?***

Yes, so long as there is market demand for the CVRs. The CVRs are transferable (subject to applicable restrictions under securities laws) and are being registered with the SEC in connection with the merger pursuant to the registration statement of which this joint proxy statement/prospectus forms a part. Bristol-Myers Squibb has agreed to cause the CVRs to be approved for listing (subject to notice of issuance) on the NYSE and thereafter to use reasonable best efforts to cause such listing on the NYSE or another national securities exchange to be maintained for so long as any CVRs remain outstanding. There can be no guarantee, however, that the CVRs will be listed on the NYSE or another national securities exchange and, if listed, there is no assurance that they will continue to satisfy the listing requirements of the NYSE or such other national securities exchange. Furthermore, no prediction can be made regarding the liquidity of any such market or the prices at which the CVRs may trade at any point in time, if at all. A sale or exchange of a CVR would be a taxable transaction. See the section entitled, *Material U.S. Federal Income Tax Consequences* beginning on page 164 of this joint proxy statement/prospectus for additional information.

***Q: Will the merger consideration I receive in the merger increase if the results of operations of Celgene improve or if the market price of Celgene common stock increases?***

No. The merger consideration payable for each share of Celgene common stock at closing is fixed at (i) \$50.00 in cash, without interest, (ii) one share of common stock of Bristol-Myers Squibb and (iii) one CVR, and the payment received at closing will not change regardless of the results of operations of Celgene or the price of publicly traded common stock of Celgene. Furthermore, as described above, the value of the merger consideration may decrease if the market price of Bristol-Myers Squibb common stock is lower at the time the merger is completed than the market price as of the date of this joint proxy statement/prospectus.

***Q: What happens if the merger is not completed?***

If the merger agreement is not adopted by Celgene stockholders, the stock issuance is not approved by Bristol-Myers Squibb stockholders or if the merger is not completed for any other reason, Celgene stockholders will not receive any payment for their shares of Celgene common stock in connection with the merger. Instead, Celgene will remain an independent public company, shares of its common stock will continue to be listed and traded on Nasdaq and registered under the Exchange Act and Celgene will continue to file periodic reports with the SEC. If the merger agreement is terminated under specified circumstances, Celgene may be required to pay Bristol-Myers Squibb a termination fee of \$2.2 billion, which is referred to in this joint proxy statement/prospectus as the Celgene termination fee, and if the merger agreement is terminated under certain other circumstances, Bristol-Myers Squibb may be required to pay Celgene a termination fee of \$2.2 billion, which is referred to in their joint proxy statement/prospectus as the Bristol-Myers Squibb termination fee. In addition, Bristol-Myers Squibb is required to reimburse Celgene for up to \$40 million of its reasonable and out-of-pocket costs and expenses incurred in connection with the merger agreement and the merger if the merger agreement is terminated by either Bristol-Myers Squibb or Celgene due to the Bristol-Myers Squibb stockholders voting on and failing to approve the stock issuance at the Bristol-Myers Squibb special meeting, which reimbursement is referred to in this joint proxy statement/prospectus as the Celgene fee reimbursement, and Celgene is required to reimburse Bristol-Myers Squibb for up to \$40 million of its reasonable and out-of-pocket costs and expenses incurred in connection with the merger agreement and the merger if the merger agreement is terminated by either Bristol-Myers Squibb or Celgene due to the Celgene stockholders voting on and failing to adopt the merger agreement at the Celgene special meeting, which reimbursement is referred to in this joint proxy statement/prospectus as the Bristol-Myers Squibb fee reimbursement. See *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus for a more detailed discussion of the termination fees and the fee reimbursement.

***Q: What risks should I consider in deciding whether to vote in favor of the merger proposal and/or the share issuance proposal?***

You should carefully review the risks and uncertainties discussed under the heading *Risk Factors* and elsewhere in this joint proxy statement/prospectus and Part I, Item 1A, *Risk Factors* in each company's





**TABLE OF CONTENTS**

Annual Report on Form 10-K for the year ended December 31, 2017, as updated by their respective Quarterly Reports on Form 10-Q, and future filings with the SEC, each of which is on file or will be filed with the SEC, which maintains a website located at <http://www.sec.gov> with this information, and all of which are incorporated by reference into this joint proxy statement/prospectus, as well as the section of this joint proxy statement/prospectus entitled Risk Factors, which sets forth certain risks and uncertainties related to the merger, risks and uncertainties to which the combined company's business will be subject, and risks and uncertainties to which each of Bristol-Myers Squibb and Celgene, as an independent company, is subject.

***Q: What are Celgene stockholders being asked to vote on?***

- A: Celgene stockholders are being asked to vote on the following three proposals:
- to adopt the merger agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus;
  - to approve the Celgene adjournment proposal; and
  - to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal.

The adoption of the merger agreement by Celgene stockholders is a condition to the obligations of Celgene and Bristol-Myers Squibb to complete the merger. Neither the approval of the Celgene adjournment proposal nor the approval of the Celgene compensation advisory proposal is a condition to the obligations of Celgene or Bristol-Myers Squibb to complete the merger.

***Q: What are Bristol-Myers Squibb stockholders being asked to vote on?***

- A: Bristol-Myers Squibb stockholders are being asked to vote on the following two proposals:
- to approve the stock issuance; and
  - to approve the Bristol-Myers Squibb adjournment proposal.

The approval of the stock issuance by Bristol-Myers Squibb stockholders is a condition to the obligations of Celgene and Bristol-Myers Squibb to complete the merger. The approval of the Bristol-Myers Squibb adjournment proposal is not a condition to the obligations of Celgene or Bristol-Myers Squibb to complete the merger.

***Q: Does the Celgene Board recommend that Celgene stockholders adopt the merger agreement?***

Yes. The Celgene Board unanimously determined that the merger agreement and the transactions contemplated by the merger agreement (including the merger) are fair to and in the best interests of Celgene and its stockholders and unanimously recommends that Celgene stockholders vote FOR the adoption of the merger agreement at the Celgene special meeting. See Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Celgene's Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement beginning on page 105 of this joint proxy statement/prospectus.

***Q: Does the Celgene Board recommend that Celgene stockholders approve the Celgene adjournment proposal?***

Yes. The Celgene Board unanimously recommends that Celgene stockholders vote FOR the Celgene adjournment proposal. See Celgene Proposal II: Adjournment of the Celgene Special Meeting beginning on page 208 of this joint proxy statement/prospectus.

***Q: What is the Celgene compensation advisory proposal and why am I being asked to vote on it?***

The SEC has adopted rules that require Celgene to seek an advisory (non-binding) vote on compensation that is tied to or based on completion of the merger and that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.

TABLE OF CONTENTS

**Q: Does the Celgene Board recommend that Celgene stockholders approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal?**

A: Yes. The Celgene Board unanimously recommends that Celgene stockholders vote FOR the Celgene compensation advisory proposal. See Celgene Proposal III: Advisory Vote On Merger-Related Executive Compensation Arrangements beginning on page 209 of this joint proxy statement/prospectus.

**Q: What happens if the Celgene compensation advisory proposal is not approved?**

A: Approval of the Celgene compensation advisory proposal is not a condition to the obligations of Celgene or Bristol-Myers Squibb to complete the merger. The vote is an advisory vote and is not binding on Celgene, the surviving company or Bristol-Myers Squibb. If the merger is completed, Celgene may pay the applicable compensation in connection with the merger to its named executive officers even if Celgene stockholders fail to approve the Celgene compensation advisory proposal.

**Q: Does the BMS Board recommend that Bristol-Myers Squibb stockholders approve the stock issuance?**

A: Yes. The BMS Board determined that the stock issuance was advisable, fair to and in the best interests of Bristol-Myers Squibb and its stockholders and unanimously recommends that Bristol-Myers Squibb stockholders vote FOR the approval of the stock issuance. See Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Bristol-Myers Squibb’s Reasons for the Merger; Recommendation of the Bristol-Myers Squibb Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance beginning on page 109 of this joint proxy statement/prospectus.

**Q: Does the BMS Board recommend that Bristol-Myers Squibb stockholders approve the Bristol-Myers Squibb adjournment proposal?**

A: Yes. The BMS Board unanimously recommends that Bristol-Myers Squibb stockholders vote FOR the Bristol-Myers Squibb adjournment proposal. See Bristol-Myers Squibb Proposal II: Adjournment of the Bristol-Myers Squibb Special Meeting beginning on page 210 of this joint proxy statement/prospectus.

**Q: What Celgene stockholder vote is required for the approval of each proposal?**

A: The following are the vote requirements for the proposals at the Celgene special meeting:

- Adoption of the Merger Agreement: The affirmative vote of holders of at least a majority of the outstanding shares of Celgene common stock entitled to vote on this proposal. Accordingly, a Celgene stockholder’s abstention from voting, the failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have the same effect as a vote AGAINST this proposal.
- Approval of Celgene Adjournment Proposal: The affirmative vote of the holders of a majority of the votes present at the Celgene special meeting (whether or not a quorum, as defined under Celgene’s by-laws, is present). For purposes of the Celgene adjournment proposal, votes present on the proposal consist of votes for or against as well as elections to abstain from voting on the proposal. Accordingly, a Celgene stockholder’s abstention from voting on the Celgene adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.
- Approval of the Celgene Compensation Advisory Proposal: The affirmative vote of the holders of a majority of the votes cast FOR or AGAINST this proposal at the Celgene special meeting (assuming a quorum, as defined under Celgene’s by-laws, is present). Accordingly, a Celgene stockholder’s abstention from voting will have no effect on the approval of this proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker,

**TABLE OF CONTENTS**

bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the approval of this proposal except to the extent it results in there being insufficient shares present at the Celgene special meeting to establish a quorum.

***Q: What Bristol-Myers Squibb stockholder vote is required for the approval of each proposal at the Bristol-Myers Squibb special meeting?***

A: The following are the vote requirements for the proposals at the Bristol-Myers Squibb special meeting:

Approval of the Stock Issuance: The affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present. Under the current rules and interpretive guidance of the NYSE, votes cast on the stock issuance consist of votes for or against as well as elections to abstain from voting on the stock issuance. As a result, a Bristol-Myers Squibb stockholder's abstention from voting on the stock issuance will have the same effect as a vote AGAINST the approval of this proposal.

- The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes cast. However, these failures to vote will make it more difficult to meet the requirement under Delaware law that the holders of a majority of the outstanding shares of Bristol-Myers Squibb stock entitled to vote at the Bristol-Myers Squibb special meeting be present in person or represented by proxy to constitute a quorum at the Bristol-Myers Squibb special meeting.

Approval of the Bristol-Myers Squibb Adjournment Proposal (if necessary): The affirmative vote of a majority of the votes present at the Bristol-Myers Squibb special meeting by Bristol-Myers Squibb stockholders entitled to vote (whether or not a quorum, as defined under Delaware law, is present). For purposes of the Bristol-Myers Squibb adjournment proposal, votes present on the proposal consist of votes for or against as well as elections to abstain from voting on the proposal. As a result, a

- Bristol-Myers Squibb stockholder's abstention from voting on the Bristol-Myers Squibb adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.

***Q: What constitutes a quorum for the Celgene special meeting?***

The holders of a majority of the outstanding shares of Celgene common stock entitled to vote being present in person or represented by proxy constitutes a quorum for the Celgene special meeting. Shares of Celgene common stock whose holders elect to abstain from voting will be deemed present at the Celgene special meeting for the

- A: purpose of determining the presence of a quorum. Shares of Celgene common stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record will not be deemed present at the Celgene special meeting for the purpose of determining the presence of a quorum.

***Q: What constitutes a quorum for the Bristol-Myers Squibb special meeting?***

The holders of a majority of the outstanding shares of Bristol-Myers Squibb stock entitled to vote being present in person or represented by proxy constitutes a quorum for the Bristol-Myers Squibb special meeting. Shares of Bristol-Myers Squibb stock whose holders elect to abstain from voting will be deemed present at the

- A: Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum. Shares of Bristol-Myers Squibb stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record will not be deemed present at the Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum.



TABLE OF CONTENTS

***Q: Who is entitled to vote at the Celgene special meeting?***

All holders of shares of Celgene common stock who held shares at the record date for the Celgene special meeting (the close of business on March 1, 2019) are entitled to receive notice of, and to vote at, the Celgene special meeting. As of the close of business on January 29, 2019, there were 701,024,507 shares of Celgene common stock outstanding. Each holder of shares of Celgene common stock is entitled to one vote for each share of Celgene common stock owned at the record date.

***Q: Who is entitled to vote at the Bristol-Myers Squibb special meeting?***

All holders of shares of Bristol-Myers Squibb stock who held shares at the record date for the Bristol-Myers Squibb special meeting (the close of business on March 1, 2019) are entitled to receive notice of, and to vote at, the Bristol-Myers Squibb special meeting. As of the close of business on January 24, 2019, there were 1,632,468,222.509 shares of Bristol-Myers Squibb stock outstanding. Each holder of shares of Bristol-Myers Squibb stock is entitled to one vote for each share of Bristol-Myers Squibb stock owned at the record date.

***Q: What if I hold shares in both Celgene and Bristol-Myers Squibb?***

If you are both a Celgene stockholder and a Bristol-Myers Squibb stockholder, you will receive separate packages of proxy materials from each company. A vote as a Celgene stockholder for the adoption of the merger agreement (or any other proposal to be considered at the Celgene special meeting) will not constitute a vote as a Bristol-Myers Squibb stockholder to approve the stock issuance (or any other proposal to be considered at the Bristol-Myers Squibb special meeting), and vice versa. Therefore, please complete, sign and date and return all proxy cards and/or voting instructions that you receive from Celgene or Bristol-Myers Squibb, or submit your proxy or voting instructions for each set of voting materials over the Internet or by telephone in order to ensure that all of your shares are voted.

***Q: When and where is the Celgene special meeting?***

The Celgene special meeting will be held at the offices of Wachtell, Lipton, Rosen & Katz located at 51 West 52<sup>nd</sup> Street, New York, New York 10019 on Friday, April 12, 2019, at 10:00 a.m., Eastern Time.

***Q: When and where is the Bristol-Myers Squibb special meeting?***

The Bristol-Myers Squibb special meeting will be held on Friday, April 12, 2019, at the offices of Kirkland & Ellis LLP, which is referred to in this joint proxy statement/prospectus as Kirkland & Ellis located at 601 Lexington Avenue, New York, New York 10022, at 10:00 a.m., Eastern Time.

***Q: How do I vote my shares at the Celgene special meeting?***

*A: Via the Internet or by Telephone*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, you may vote via the Internet or by telephone by following the instructions on the enclosed proxy card. In order to vote your shares via the Internet or by telephone, you will need the control number on your proxy card (which is unique to each Celgene stockholder to ensure all voting instructions are genuine and to prevent duplicate voting). Votes may be submitted via the Internet or by telephone, 24 hours a day, seven days a week, and must be received by 11:59 p.m. (Eastern Time) on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares.

If you hold shares of Celgene common stock in street name, meaning through a broker, bank or other nominee holder of record, you may submit voting instructions via the Internet or by telephone only if Internet or telephone voting is made available by your broker, bank or other nominee holder of record. Please follow the voting instructions provided by your broker, bank or other nominee holder of record with these materials.

TABLE OF CONTENTS

*By Mail*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, in order to vote by mail, you may submit a proxy card. You will need to complete, sign and date your proxy card and return it using the postage-paid return envelope provided.

If you hold shares of Celgene common stock in street name, meaning through a broker, bank or other nominee holder of record, in order to provide voting instructions by mail you will need to complete, sign and date the voting instruction form provided by your broker, bank or other nominee holder of record with these materials and return it in the postage-paid return envelope provided. Your broker, bank or other nominee holder of record must receive your voting instruction form in sufficient time to vote your shares.

*In Person*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, you may vote in person at the Celgene special meeting. Stockholders of record also may be represented by another person at the Celgene special meeting by executing a proper proxy designating that person and having that proper proxy be presented to the judge of election with the applicable ballot at the Celgene special meeting.

If you hold shares of Celgene common stock in street name, meaning through a broker, bank or other nominee holder of record, you must obtain a written legal proxy from that institution and present it to the judge of election with your ballot to be able to vote in person at the Celgene special meeting. To request a legal proxy, please contact your broker, bank or other nominee holder of record.

**Please carefully consider the information contained in this joint proxy statement/prospectus. Whether or not you plan to attend the Celgene special meeting, Celgene encourages you to vote via the Internet, by telephone or by mail so that your shares will be voted in accordance with your wishes even if you later decide not to attend the Celgene special meeting.**

Celgene encourages you to register your vote via the Internet, by telephone or by mail. If you attend the Celgene special meeting, you may also vote in person, in which case any votes that you previously submitted—whether via the Internet, by telephone or by mail—will be revoked and superseded by the vote that you cast at the Celgene special meeting. Your attendance at the Celgene special meeting alone will not revoke any proxy previously given. To vote in person at the Celgene special meeting, beneficial owners who hold shares in street name through a broker, bank or other nominee holder of record will need to contact the broker, bank or other nominee holder of record to obtain a written legal proxy to bring to the meeting. Whether your proxy is submitted via the Internet, by telephone or by mail, if it is properly completed and submitted, and if you do not revoke it prior to or at the Celgene special meeting, your shares will be voted at the Celgene special meeting in the manner specified by you, except as otherwise set forth in this joint proxy statement/prospectus.

**You may vote via the Internet or by telephone until 11:59 p.m. (Eastern Time) on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares, or Broadridge must receive your proxy card by mail no later than the close of business on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares.**

**Q: If my shares of Celgene common stock are held in street name, will my broker, bank or other nominee holder of record automatically vote my shares for me?**

**A:** No. Your broker, bank or other nominee holder of record will only be permitted to vote your shares of Celgene common stock if you instruct your broker, bank or other nominee holder of record how to vote. You should

follow the procedures provided by your broker, bank or other nominee holder of record regarding the voting of your shares of Celgene common stock.

Under stock exchange rules, brokers, banks and other nominee holders of record are precluded from exercising their voting discretion with respect to non-routine or significant matters, such as the adoption of the merger agreement, the approval of the Celgene adjournment proposal and the approval of the Celgene compensation advisory proposal. As a result, absent specific instructions from the beneficial owner of shares of Celgene common stock, brokers, banks and other nominees holders of record are not empowered to vote such shares.

TABLE OF CONTENTS

Broker non-votes are shares held by a broker, bank or other nominee holder of record with respect to which the broker, bank or other nominee holder of record is not instructed by the beneficial owner of such shares on how to vote on a particular proposal and the broker, bank or other nominee holder of record does not have discretionary voting power on such proposal. Because brokers, banks and other nominee holders of record do not have discretionary voting authority with respect to any of the proposals to be considered at the Celgene special meeting as described in this joint proxy statement/prospectus, if a beneficial owner of shares of Celgene common stock held in street name does not give voting instructions to the broker, bank or other nominee holder of record, then those shares will not be present in person or represented by proxy at the Celgene special meeting.

A beneficial owner's failure to instruct the broker, bank or other nominee holder of record how to vote shares of Celgene common stock held in street name will therefore have the same effect as a vote AGAINST the adoption of the merger agreement. A beneficial owner's failure to instruct the broker, bank or other nominee holder of record how to vote shares of Celgene common stock held in street name will have no effect on the proposal to approve the Celgene adjournment proposal or the proposal to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal, except, with respect to the Celgene compensation advisory proposal, to the extent it results in there being insufficient shares present at the Celgene special meeting to establish a quorum.

***Q: If I submit a proxy, how will my shares covered by the proxy be voted at the Celgene special meeting?***

A: If you correctly register your vote via the Internet, by telephone or by mail, the directors of Celgene named in your proxy card will vote your shares in the manner you requested.

***Q: If I return a blank proxy, how will my shares be voted at the Celgene special meeting?***

A: If you sign your proxy card and return it without indicating how you would like to vote your shares, your proxy will be voted as the Celgene Board unanimously recommends, which is:

- FOR the adoption of the merger agreement;
- FOR the Celgene adjournment proposal; and
- FOR the Celgene compensation advisory proposal.

However, if you indicate that you wish to vote against the adoption of the merger agreement and leave the other proposals blank, your shares will not be voted in favor of the Celgene adjournment proposal or the Celgene compensation advisory proposal.

***Q: How do I vote my shares at the Bristol-Myers Squibb special meeting?***

A: *Via the Internet or by Telephone*

If you hold shares of Bristol-Myers Squibb stock directly in your name as a stockholder of record, you may vote via the Internet at [www.proxyvote.com](http://www.proxyvote.com) or by telephone by calling (800) 322-2885 toll-free. In order to submit a proxy to vote via the Internet or by telephone, you will need the control number on your proxy card (which is unique to each Bristol-Myers Squibb stockholder to ensure all voting instructions are genuine and to prevent duplicate voting). Votes may be submitted via the Internet or by telephone 24 hours a day, seven days a week, and must be received by 11:59 p.m. (Eastern Time) either on Monday, April 8, 2019 for shares in employee benefit plans or on Thursday, April 11, 2019 for all other shares. Please be aware that if you vote by telephone or over the Internet, you may incur costs such as telephone and Internet access charges for which you will be responsible.

If you hold shares of Bristol-Myers Squibb stock in street name, meaning through a broker, bank or other nominee holder of record, you may vote via the Internet or by telephone only if Internet or telephone voting is made available by your broker, bank or other nominee holder of record. Please follow the voting instructions provided by your broker, bank or other nominee holder of record with these materials.

*By Mail*



If you hold shares of Bristol-Myers Squibb stock directly in your name as a stockholder of record, you may submit a proxy card to vote your shares by mail. You will need to complete, sign and date your proxy card

TABLE OF CONTENTS

and return it using the postage-paid return envelope provided or return it to Broadridge. In order to ensure Broadridge's timely receipt of your proxy card, we recommend that you mail your proxy card no later than the close of business on April 4, 2019.

If you hold shares of Bristol-Myers Squibb stock in street name, meaning through a broker, bank or other nominee holder of record, in order to provide voting instructions by mail, you will need to complete, sign and date the voting instruction form provided by your broker, bank or other nominee holder of record with these materials and return it in the postage-paid return envelope provided. Your broker, bank or other nominee holder of record must receive your voting instruction form in sufficient time to vote your shares.

*In Person*

If you hold shares of Bristol-Myers Squibb stock directly in your name as a stockholder of record, you may vote in person at the Bristol-Myers Squibb special meeting. Stockholders of record also may be represented by another person at the Bristol-Myers Squibb special meeting by executing a proper proxy designating that person and having that proper proxy be presented to the judge of election with the applicable ballot at the Bristol-Myers Squibb special meeting.

If you hold shares of Bristol-Myers Squibb stock in street name, meaning through a broker, bank or other nominee holder of record, you must obtain a written legal proxy from that institution and present it to the judge of election with your ballot to be able to vote in person at the Bristol-Myers Squibb special meeting. To request a legal proxy, please contact your broker, bank or other nominee holder of record.

**Please carefully consider the information contained in this joint proxy statement/prospectus. Whether or not you plan to attend the Bristol-Myers Squibb special meeting, Bristol-Myers Squibb encourages you to vote via the Internet, by telephone or by mail so that your shares will be voted in accordance with your wishes even if you later decide not to attend the Bristol-Myers Squibb special meeting.**

Bristol-Myers Squibb encourages you to register your vote via the Internet, by telephone or by mail. If you attend the Bristol-Myers Squibb special meeting, you may also vote in person, in which case any votes that you previously submitted—whether via the Internet, by telephone or by mail—will be revoked and superseded by the vote that you cast at the Bristol-Myers Squibb special meeting. To vote in person at the Bristol-Myers Squibb special meeting, beneficial owners who hold shares in street name through a broker, bank or other nominee holder of record will need to contact the broker, bank or other nominee holder of record to obtain a written legal proxy to bring to the meeting. Whether your proxy is submitted via the Internet, by phone or by mail, if it is properly completed and submitted, and if you do not revoke it prior to or at the Bristol-Myers Squibb special meeting, your shares will be voted at the Bristol-Myers Squibb special meeting in the manner specified by you, except as otherwise set forth in this joint proxy statement/prospectus.

**You may vote via the Internet or by telephone until 11:59 p.m., Eastern Time, either on Monday, April 8, 2019 for shares in employee benefit plans or on Thursday, April 11, 2019 for all other shares. We recommend you mail your proxy by April 4, 2019 to ensure timely receipt of your proxy.**

**Q: If my shares of Bristol-Myers Squibb stock are held in street name, will my broker, bank or other nominee holder of record automatically vote my shares for me?**

A: No. If you are a beneficial stockholder, you have the right to direct your broker or nominee on how to vote the shares. You should complete a voting instruction card which your broker, bank or other nominee is obligated to provide you. If you wish to vote in person at the meeting, you must first obtain from the record holder a legal proxy issued in your name. Brokers, banks and other nominee holders of record who hold shares of Bristol-Myers

Squibb stock in street name typically have the authority to vote in their discretion on routine proposals when they have not received instructions on how to vote from the beneficial owner. However, brokers, banks and other nominee holders of record typically are not allowed to exercise their voting discretion on matters that are non-routine without specific instructions on how to vote from the beneficial owner. Under the current rules of the NYSE, both proposals to be considered at the Bristol-Myers Squibb special meeting as described in this joint proxy statement/prospectus are considered non-routine. Therefore, brokers, banks and other nominee holders of record do not have discretionary authority to vote on either proposal.

TABLE OF CONTENTS

Broker non-votes are shares held by a broker, bank or other nominee holder of record that are present in person or represented by proxy at the Bristol-Myers Squibb special meeting, but with respect to which the broker, bank or other nominee holder of record is not instructed by the beneficial owner of such shares on how to vote on a particular proposal and the broker does not have discretionary voting power on such proposal. Because brokers, banks and other nominee holders of record do not have discretionary voting authority with respect to either of the proposals to be considered at the Bristol-Myers Squibb special meeting as described in this joint proxy statement/prospectus, if a beneficial owner of shares of Bristol-Myers Squibb stock held in street name does not give voting instructions to the broker, bank or other nominee holder of record, then those shares will not be present in person or represented by proxy at the Bristol-Myers Squibb special meeting. As a result, there will not be any broker non-votes in connection with either of the proposals to be considered at the Bristol-Myers Squibb special meeting as described in this joint proxy statement/prospectus.

***Q: How will my shares be represented at the Bristol-Myers Squibb special meeting?***

A: If you correctly submit your proxy via the Internet, by telephone or by mail, the persons named in your proxy card will vote your shares in the manner you requested. If you sign your proxy card and return it without indicating how you would like to vote your shares, your proxy will be voted as the BMS Board unanimously recommends, which is:

- FOR the stock issuance; and
- FOR the approval of the Bristol-Myers Squibb adjournment proposal.

However, if you indicate that you wish to vote against the approval of the stock issuance, your shares will only be voted in favor of the Bristol-Myers Squibb adjournment proposal if you indicate that you wish to vote in favor of that proposal.

***Q: Who may attend the Celgene special meeting?***

A: Celgene stockholders at the record date for the Celgene special meeting (the close of business on March 1, 2019), or their proxy holders, may attend the Celgene special meeting. If you hold shares in your name at the record date and plan to attend the Celgene special meeting, because of security procedures, you will need to obtain an admission ticket in advance. Tickets will be available to registered and beneficial owners. You can print your own tickets and you must bring them to the meeting to gain access. Tickets can be printed by accessing Shareholder Meeting Registration at [www.ProxyVote.com](http://www.ProxyVote.com) and following the instructions provided (you will need the 16 digit number included on your proxy card or voter instruction form). If you are unable to print your tickets, please contact Celgene's Corporate Secretary at 1-908-673-9000. Requests for admission tickets will be processed in the order in which they are received and must be submitted no later than 11:59 p.m. (Eastern Time) on April 11, 2019. Please note that seating is limited and requests for tickets will accepted on a first-come, first served basis. If you received your special meeting materials electronically and wish to attend the meeting, please follow the instructions provided for attendance. If you are attending the Celgene special meeting in person, you will be required to present valid, government-issued photo identification, such as a driver's license or passport, and an admission ticket to be admitted to the Celgene special meeting.

Celgene stockholders may contact Innisfree M&A Incorporated at (877) 750-9497 (toll-free) or (412) 232-3651 (for international callers) to obtain directions to the location of the Celgene special meeting. Banks and brokers may call collect at (212) 750-5833.

***Q: Who may attend the Bristol-Myers Squibb special meeting?***

A: Bristol-Myers Squibb stockholders at the record date for the Bristol-Myers Squibb special meeting (the close of business on March 1, 2019), or their proxy holders, their authorized representatives and guests of Bristol-Myers Squibb may attend the Bristol-Myers Squibb special meeting. You may not appoint more than one person to act as your proxy at the Bristol-Myers Squibb special meeting. Admission will be by ticket only. A form of government-issued photograph identification will be required to enter the meeting. Large bags, backpacks, briefcases, cameras, recording equipment and other electronic devices will not be permitted in the meeting, and

attendees will be subject to security inspections. Our offices are wheelchair accessible. We will provide, upon request, wireless headsets for hearing amplification. If you are a registered

TABLE OF CONTENTS

Bristol-Myers Squibb stockholder (your shares are held in your name) and plan to attend the meeting, you should bring the top portion of the proxy card, which will serve as your admission ticket. If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record) and plan to attend the meeting, you can obtain an admission ticket in advance by writing to Shareholder Services, Bristol-Myers Squibb Company, 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016. Please be sure to enclose proof of ownership, such as a bank or brokerage account statement. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the Registration Desk on the day of the special meeting.

***Q: Can I revoke my proxy or change my voting instructions for Bristol-Myers Squibb stock?***

A: Yes. You may revoke your proxy or change your vote at any time before the closing of the polls at the Bristol-Myers Squibb special meeting.

If you are a stockholder of record at the record date for the Bristol-Myers Squibb special meeting (the close of business on March 1, 2019), you can revoke your proxy or change your vote by:

- sending a signed notice, which bears a date later than the date of the proxy you want to revoke and which is received prior to the date of the Bristol-Myers Squibb special meeting, stating that you revoke your proxy to Bristol-Myers Squibb Company, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717;
- submitting a valid, later-dated proxy or voting instructions via the Internet or by telephone before 11:59 p.m. (Eastern Time) either on Monday, April 8, 2019 for shares in employee benefit plans or on Thursday, April 11, 2019 for all other shares, or by mail that is received prior to the Bristol-Myers Squibb special meeting; or
- attending the Bristol-Myers Squibb special meeting (or, if the special meeting is adjourned or postponed, attending the applicable adjourned or postponed meeting) and voting in person, which automatically will cancel any proxy previously given, or revoking your proxy in person, but your attendance alone will not revoke any proxy previously given.

If you hold your shares in “street name” through a broker, bank or other nominee holder of record, you must contact your broker, bank or other nominee holder of record to change your vote or obtain a written legal proxy to vote your shares if you wish to cast your vote in person at the Bristol-Myers Squibb special meeting.

***Q: Can I revoke my proxy or change my voting instructions for Celgene common stock?***

A: Yes. You may revoke your proxy or change your vote at any time before the closing of the polls at the Celgene special meeting.

If you are a stockholder of record at the record date for the Celgene special meeting (the close of business on March 1, 2019), you can revoke your proxy or change your vote by:

- sending a signed notice, which bears a date later than the date of the proxy you want to revoke and which is received prior to the close of business on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares, stating that you revoke your proxy to Celgene Corporation, 86 Morris Avenue, Summit, New Jersey 07901, Attention: Corporate Secretary;
- submitting a valid, later-dated proxy via the Internet or by telephone before 11:59 p.m. (Eastern Time) on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan and (ii) April 11, 2019 for all other shares, or by mail that is received prior to (i) the close of business on April 9, 2019 for shares held in the Celgene 401(k) Plan and (ii) the Celgene special meeting for all other shares; or
- attending the Celgene special meeting (or, if the Celgene special meeting is adjourned or postponed, attending the applicable adjourned or postponed meeting) and voting in person, which automatically will cancel any proxy previously given, or revoking your proxy in person, but your attendance alone will not revoke any proxy previously given.

If you hold your shares in “street name” through a broker, bank or other nominee holder of record, you must contact your broker, bank or other nominee holder of record to change your vote or obtain a written legal proxy to vote your shares if you wish to cast your vote in person at the Celgene special meeting.

TABLE OF CONTENTS

**Q: *What happens if I sell my shares of Celgene common stock after the record date but before the Celgene special meeting?***

The record date for the Celgene special meeting (the close of business on March 1, 2019) is earlier than the date of the Celgene special meeting and earlier than the date that the merger is expected to be completed. If you sell or otherwise transfer your shares of Celgene common stock after the record date but before the date of the Celgene special meeting, you will, unless the transferee obtains a proxy from you, retain your right to vote at the Celgene special meeting. However, you will not have the right to receive the merger consideration to be received by Celgene stockholders in the merger. In order to receive the merger consideration, you must hold your shares immediately prior to completion of the merger.

**Q: *What happens if I sell my Bristol-Myers Squibb shares after the record date but before the Bristol-Myers Squibb special meeting?***

The record date for the Bristol-Myers Squibb special meeting (the close of business on March 1, 2019) is earlier than the date of the Bristol-Myers Squibb special meeting. If you sell or otherwise transfer your shares of Bristol-Myers Squibb stock after the record date but before the date of the Bristol-Myers Squibb special meeting, you will, unless the transferee obtains a proxy from you, retain your right to vote at the Bristol-Myers Squibb special meeting.

**Q: *Are Celgene stockholders entitled to appraisal rights?***

Yes. Celgene stockholders may exercise appraisal rights in connection with the merger under Delaware law. For more information, please see the section titled *Appraisal or Dissenters' Rights for Celgene Stockholders* contained in this joint proxy statement/prospectus and the text of Section 262 of the Delaware General Corporation Law, which is referred to in this joint proxy statement/prospectus as the DGCL.

**Q: *Who is the inspector of the election for the Celgene special meeting?***

A: A representative of Broadridge will serve as the inspector of election for the Celgene special meeting.

**Q: *Who is the inspector of the election for the Bristol-Myers Squibb special meeting?***

A: A representative of American Election Services LLC will serve as the inspector of election for the Bristol-Myers Squibb special meeting.

**Q: *Where can I find the voting results of the Celgene special meeting?***

The preliminary voting results will be announced at the Celgene special meeting. In addition, within four business days following certification of the final voting results, Celgene intends to file the final voting results with the SEC on a Current Report on Form 8-K.

**Q: *Where can I find the voting results of the Bristol-Myers Squibb special meeting?***

The preliminary voting results will be announced at the Bristol-Myers Squibb special meeting. In addition, within four business days following certification of the final voting results, Bristol-Myers Squibb intends to file the final voting results with the SEC on a Current Report on Form 8-K.

**Q: *Is completion of the merger subject to any conditions?***

Yes. Bristol-Myers Squibb and Celgene are not required to complete the merger unless a number of conditions are satisfied (or, to the extent permitted by applicable law, waived by the party entitled to waive such condition). These conditions include the adoption of the merger agreement by Celgene stockholders, the approval of the stock issuance by Bristol-Myers Squibb stockholders, termination or expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to in this joint proxy statement/prospectus as the HSR Act, and the receipt of approvals under the antitrust laws of certain specified foreign jurisdictions. For a more complete summary of the conditions that must be satisfied (or, to the extent permitted by applicable law, waived) prior to completion of the merger, see *The Merger Agreement—Conditions to Completion of the Merger* beginning on page 176 of this joint proxy statement/prospectus.



TABLE OF CONTENTS

***Q: When do you expect to complete the merger?***

As of the date of this joint proxy statement/prospectus, Celgene and Bristol-Myers Squibb expect to complete the merger in the third quarter of 2019, subject to the adoption of the merger agreement by Celgene stockholders, the approval of the stock issuance by Bristol-Myers Squibb stockholders, early termination or expiration of the

A: waiting period under the HSR Act, the receipt of approvals under the antitrust laws of certain specified foreign jurisdictions and the satisfaction (or, to the extent permitted by applicable law, waiver) of the other conditions that must be satisfied (or, to the extent permitted by applicable law, waived) prior to completion of the merger. However, no assurance can be given as to when, or if, the merger will be completed.

***Q: Is the transaction expected to be taxable to Celgene stockholders?***

The exchange of shares of Celgene common stock for the merger consideration pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a Celgene stockholder that is a U.S. holder, as defined in Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences beginning on page 164 of this joint proxy statement/prospectus, will recognize taxable capital gain or loss in an amount equal to the difference, if any, between (i) the sum of (A) the amount of cash, including cash in lieu of fractional shares, received by such U.S. holder in the merger, (B) the fair market value of the shares of Bristol-Myers Squibb common stock received

A: by such U.S. holder in the merger, and (C) the fair market value of the CVRs received by such U.S. holder in the merger, each determined on the date of the consummation of the merger and (ii) such U.S. holder's adjusted tax basis in the shares of Celgene common stock exchanged therefor. With respect to a Celgene stockholder that is a non-U.S. holder, as defined in Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences beginning on page 164 of this joint proxy statement/prospectus, the exchange of shares of Celgene common stock for the merger consideration pursuant to the merger generally will not result in tax to such non-U.S. holder under U.S. federal income tax laws unless such non-U.S. holder has certain connections with the United States.

Each Celgene stockholder is urged to read the discussion in the section entitled Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences beginning on page 164 of this joint proxy statement/prospectus and to consult its tax advisor to determine the particular U.S. federal, state or local or non-U.S. income or other tax consequences to it of the merger.

***Q: What do I need to do now?***

Carefully read and consider the information contained in and incorporated by reference into this joint proxy

A: statement/prospectus in its entirety, including its annexes. Then, please promptly vote your shares of Celgene common stock and/or shares of Bristol-Myers Squibb stock, as applicable, which you may do by:

- completing, dating, signing and returning the enclosed proxy card for the applicable company in the accompanying postage-paid return envelope;
- submitting your proxy via the Internet or by telephone by following the instructions included on your proxy card for such company; or
- attending the applicable special meeting and voting by ballot in person.

If you hold shares in street name through a broker, bank or other nominee holder of record, please instruct your broker, bank or other nominee holder of record to vote your shares by following the instructions that the broker, bank or other nominee holder of record provides to you with these materials.

**TABLE OF CONTENTS**

***Q: Should I send in my Celgene share certificates now?***

No. Celgene stockholders should not send in their share certificates at this time. After completion of the merger, Bristol-Myers Squibb's exchange agent will send you a letter of transmittal and instructions for exchanging your shares of Celgene common stock for the merger consideration. The shares of Bristol-Myers Squibb common stock you receive in the merger will be issued in book-entry form and, unless otherwise requested, physical

A: certificates will not be issued. The CVRs you receive in the merger will be issued in book-entry form and, unless otherwise requested, physical certificates will not be issued. Bristol-Myers Squibb stockholders will keep their existing share certificates, if any, and will not be required to take any action with respect to their certificates. See The Merger Agreement—Procedures for Surrendering Celgene Stock Certificates beginning on page 173 of this joint proxy statement/prospectus.

***Q: How can I vote the shares of Bristol-Myers Squibb stock I hold through the Bristol-Myers Squibb Savings and Investment Program or the Bristol-Myers Squibb Puerto Rico, Inc. Savings and Investment Program?***

Participants in the Bristol-Myers Squibb Savings and Investment Program and the Bristol-Myers Squibb Puerto Rico, Inc. Savings and Investment Program, which are collectively referred to in this joint proxy statement/prospectus as the Bristol-Myers Squibb 401(k) Plans, who receive this joint proxy statement/prospectus in their capacity as participants in either of the Bristol-Myers Squibb 401(k) Plans are entitled to vote using the enclosed proxy card. The proxy card directs the trustee of the Bristol-Myers Squibb 401(k) Plans to vote a

A: participant's shares as indicated on the card. Shares of Bristol-Myers Squibb common stock held through the Bristol-Myers Squibb 401(k) Plans for which no instructions are received will be voted by the trustee of the Bristol-Myers Squibb 401(k) Plans in the same percentage as the shares of Bristol-Myers Squibb common stock held through the Bristol-Myers Squibb 401(k) Plans for which the trustee receives voting instructions. The trustee of the Bristol-Myers Squibb 401(k) Plans must receive your voting instructions by 11:59 p.m. (Eastern Time) on April 8, 2019.

Please note that you cannot vote the shares of Bristol-Myers Squibb common stock you hold through either of the Bristol-Myers Squibb 401(k) Plans in person at the Bristol-Myers Squibb special meeting.

***Q: How can I vote the shares of Celgene common stock I hold through the Celgene Corporation 401(k) Plan?***

Participants in the Celgene Corporation 401(k) Plan, which is referred to in this joint proxy statement/prospectus as the Celgene 401(k) Plan, who receive this joint proxy statement/prospectus in their capacity as participants in the Celgene 401(k) Plan are entitled to vote using the enclosed proxy card. The proxy card directs the trustee of the Celgene 401(k) Plan to vote a participant's shares as directed on the card. Shares of Celgene common stock held through the Celgene 401(k) Plan for which the trustee of the Celgene 401(k) Plan does not receive voting

A: instructions will be voted by the trustee pro rata in proportion to the shares of Celgene common stock held through the Celgene 401(k) Plan for which the trustee receives voting instructions unless contrary to the Employee Retirement Income Security Act of 1974, as amended, which is referred to in this joint proxy statement/prospectus as ERISA. Broadridge must receive your voting instructions via Internet or telephone by 11:59 p.m. (Eastern Time) on April 9, 2019 or via mail by the close of business on April 9, 2019. You may not vote the shares of Celgene common stock you hold through the Celgene 401(k) Plan at the Celgene special meeting.

***Q: Who will solicit and pay the cost of soliciting proxies for the Celgene special meeting?***

Celgene will bear all costs and expenses in connection with the solicitation of proxies, including the costs of preparing, printing and mailing this joint proxy statement/prospectus for the Celgene special meeting. Celgene has engaged Innisfree M&A Incorporated and Morrow Sodali, LLC to assist in the solicitation of proxies for the

A: Celgene special meeting and will pay Innisfree M&A Incorporated and Morrow Sodali, LLC an initial fee of approximately \$75,000 and \$35,000, respectively, plus additional fees to be determined at the conclusion of the solicitation and reimbursement of reasonable out-of-pocket expenses.

TABLE OF CONTENTS

In addition to solicitation by mail, directors, officers and employees of Celgene or its subsidiaries may solicit proxies from stockholders by telephone, telegram, email, personal interview or other means. Celgene currently expects not to incur any costs beyond those customarily expended for a solicitation of proxies in connection with the adoption of a merger agreement. Directors, officers and employees of Celgene will not receive additional compensation for their solicitation activities, but may be reimbursed for reasonable out-of-pocket expenses incurred by them in connection with the solicitation. Brokers, dealers, commercial banks, trust companies, fiduciaries, custodians and other nominees have been requested to forward proxy solicitation materials to their customers, and such nominees will be reimbursed for their reasonable out-of-pocket expenses. Celgene will pay the costs associated with the Celgene special meeting and solicitation of proxies, including the costs of mailing the proxy materials.

***Q: What do I do if I receive more than one set of Celgene voting materials?***

You may receive more than one set of voting materials for the Celgene special meeting, including multiple copies of this joint proxy statement/prospectus, proxy cards and/or voting instruction forms. This can occur if your shares are held through more than one account (*e.g.*, through different brokers or nominees), if you hold shares directly as a record holder and also in street name, or otherwise through a nominee, and in certain other circumstances. Each proxy card or voting instruction form only covers those shares of Celgene common stock held in the applicable account. If you receive more than one set of voting materials, each should be voted and/or returned separately in order to ensure that all of your shares are voted.

***Q: What do I need to do now?***

Even if you plan to attend the special meeting in person, after carefully reading and considering the information contained in this joint proxy statement/prospectus, including the annexes attached hereto and other information incorporated herein by reference, please vote promptly to ensure that your shares are represented at the special meeting. Each Celgene stockholder as of the record date may vote his, her or its shares of Celgene common stock as described above under the heading How do I vote my shares at the Celgene special meeting?

***Q: If I am a Celgene stockholder, whom should I call with questions?***

If you have any questions about the merger agreement, the merger, the proposal to adopt the merger agreement, the Celgene adjournment proposal, the Celgene compensation advisory proposal or the Celgene special meeting, or this joint proxy statement/prospectus, desire additional copies of this joint proxy statement/prospectus, proxy cards or voting instruction forms or need help voting your shares of Celgene common stock, you should contact:

Innisfree M&A Incorporated  
501 Madison Avenue, 20<sup>th</sup> Floor  
New York, New York 10022  
Telephone (Toll-Free): (877) 750-9497  
International Callers: (412) 232-3651  
Banks and brokers may call collect: (212) 750-5833

or

Celgene Corporation  
86 Morris Avenue  
Summit, New Jersey 07901  
Attention: Corporate Secretary  
Telephone: (908) 673-9000

TABLE OF CONTENTS

***Q: If I am a Bristol-Myers Squibb stockholder, whom should I call with questions?***

If you have any questions about the merger agreement, the merger, the stock issuance, the proposal to approve the stock issuance, the Bristol-Myers Squibb adjournment proposal or the Bristol-Myers Squibb special meeting or  
A: this joint proxy statement/prospectus, desire additional copies of this joint proxy statement/prospectus, proxy cards or voting instruction forms or need help voting your shares of Bristol-Myers Squibb stock, you should contact:

MacKenzie Partners, Inc.  
1407 Broadway, 27<sup>th</sup> Floor  
New York, New York 10018  
Telephone (Toll-Free): (800) 322-2885  
Telephone (Collect): (212) 929-5500  
Email: proxy@mackenziepartners.com

or

Bristol-Myers Squibb Company  
430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor  
New York, New York 10016  
Attention: Corporate Secretary  
Telephone: (212) 546-3309

19

## TABLE OF CONTENTS

### **SUMMARY**

*This summary highlights selected information from this joint proxy statement/prospectus. It may not contain all of the information that is important to you. You are urged to read carefully the entire joint proxy statement/prospectus and the other documents attached to or referred to in this joint proxy statement/prospectus in order to fully understand the merger agreement, the proposed merger and the other transactions contemplated by the merger agreement. See *Where You Can Find More Information* beginning on page 250 of this joint proxy statement/prospectus. Each item in this summary refers to the page of this joint proxy statement/prospectus on which the more detailed discussion of that subject begins.*

### **The Companies**

#### ***Bristol-Myers Squibb***

Bristol-Myers Squibb was incorporated under the laws of the State of Delaware in August 1933 under the name Bristol-Myers Company, as successor to a New York business started in 1887. In 1989, Bristol-Myers Company changed its name to Bristol-Myers Squibb Company as a result of a merger. Bristol-Myers Squibb is engaged in the discovery, development, licensing, manufacturing, marketing, distribution and sale of biopharmaceutical products on a global basis.

The principal trading market for shares of Bristol-Myers Squibb common stock (NYSE: BMY) is the NYSE. The principal executive offices of Bristol-Myers Squibb are located at 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016; its telephone number is (212) 546-4000; and its website is *www.bms.com*. Information on Bristol-Myers Squibb's Internet website is not incorporated by reference into or otherwise part of this joint proxy statement/prospectus.

This joint proxy statement/prospectus incorporates important business and financial information about Bristol-Myers Squibb from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a list of the documents that are incorporated by reference, see *Where You Can Find More Information* beginning on page 250 of this joint proxy statement/prospectus.

#### ***Celgene***

Celgene was incorporated in the State of Delaware in 1986. Celgene is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation. Its primary commercial stage products include REVLIMID<sup>®</sup>, POMALYST<sup>®</sup>/IMNOVID<sup>®</sup>, OTEZLA<sup>®</sup>, ABRAXANE<sup>®</sup>, and VIDAZA<sup>®</sup>.

Celgene continues to make significant investments in research and development in support of multiple ongoing proprietary clinical development programs, which support its existing products and pipeline of new product candidates. Celgene's key late-stage product candidates, which are expected to launch in 2019 and 2020, are ozanimod, fedratinib, luspatercept, bb2121, and JCAR017. Beyond its late-stage product candidates, Celgene has access to a growing early-to-mid-stage pipeline of novel potential therapies to address significant unmet medical needs that consists of new product candidates and cell therapies developed in-house, licensed from other companies or able to be optioned from collaboration partners.

The principal trading market for shares of Celgene common stock, par value \$0.01 per share, (NASDAQ: CELG) is Nasdaq. The principal executive offices of Celgene are located at 86 Morris Avenue, Summit, New Jersey 07901; its

telephone number is (908) 673-9000; and its website is *www.celgene.com*. Information on Celgene's Internet website is not incorporated by reference into or otherwise part of this joint proxy statement/prospectus.

This joint proxy statement/prospectus incorporates important business and financial information about Celgene from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a list of the documents that are incorporated by reference, see "Where You Can Find More Information" beginning on page 250 of this joint proxy statement/prospectus.

***Burgundy Merger Sub, Inc.***

Merger Sub was incorporated under the laws of the State of Delaware on December 31, 2018, and is a wholly-owned subsidiary of Bristol-Myers Squibb. Merger Sub was formed solely for the purpose of completing

## TABLE OF CONTENTS

the merger. Merger Sub has not carried on any activities or operations to date, except for activities incidental to its formation and activities undertaken in connection with the merger. By operation of the merger, Merger Sub will be merged with and into Celgene, with Celgene surviving the merger as a wholly-owned subsidiary of Bristol-Myers Squibb.

The principal executive offices of Merger Sub are located at 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016; and its telephone number is (212) 546-4000.

### **The Merger (see page 171)**

Bristol-Myers Squibb, Merger Sub and Celgene have entered into the merger agreement. Subject to the terms and conditions of the merger agreement and in accordance with applicable law, in the merger, Merger Sub will be merged with and into Celgene, with Celgene continuing as the surviving corporation and a wholly-owned subsidiary of Bristol-Myers Squibb. Upon completion of the merger, shares of Celgene common stock will no longer be publicly traded, will be delisted from Nasdaq and deregistered under the Exchange Act.

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. **You should read the merger agreement carefully and in its entirety because it is the legal document that governs the merger.**

### **Special Meeting of Stockholders of Bristol-Myers Squibb (see page 82)**

**Meeting.** The Bristol-Myers Squibb special meeting will be held on April 12, 2019, at the offices of Kirkland & Ellis LLP located at 601 Lexington Avenue, New York, New York 10022, at 10:00 a.m., Eastern Time. At the Bristol-Myers Squibb special meeting, Bristol-Myers Squibb stockholders will be asked to consider and vote on the following proposals:

- to approve the stock issuance; and
- to approve the Bristol-Myers Squibb adjournment proposal.

**Record Date.** The BMS Board has fixed the close of business on March 1, 2019, as the record date for the determination of the stockholders entitled to notice of and to vote at the Bristol-Myers Squibb special meeting or any adjournment or postponement of the Bristol-Myers Squibb special meeting. Only Bristol-Myers Squibb stockholders of record at the record date are entitled to receive notice of, and to vote at, the Bristol-Myers Squibb special meeting or any adjournment or postponement of the Bristol-Myers Squibb special meeting. As of the close of business on January 24, 2019, there were (i) 1,632,650,807.509 shares of Bristol-Myers Squibb, \$0.10 par value per share, common stock outstanding and entitled to vote at the Bristol-Myers Squibb special meeting, held by approximately 39,427 holders of record, and (ii) 3,586 shares of Bristol-Myers Squibb \$2.00 convertible preferred stock outstanding and entitled to vote at the Bristol-Myers Squibb special meeting, held by approximately 141 holders of record.

**Quorum.** The presence at the Bristol-Myers Squibb special meeting, in person or by proxy, of the holders of a majority of the outstanding shares of Bristol-Myers Squibb stock at the record date (the close of business on March 1, 2019) entitled to vote will constitute a quorum. Elections to abstain from voting will be deemed present at the Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum. Shares of Bristol-Myers Squibb stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record, and shares of Bristol-Myers Squibb stock with respect to which the beneficial owner otherwise fails to vote, will not be deemed present at the Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum. There must be a quorum for the vote on the stock issuance to be taken at the Bristol-Myers Squibb special meeting. Failure of a quorum to be present at the Bristol-Myers Squibb special meeting will necessitate an adjournment of the meeting and will subject Bristol-Myers Squibb to additional expense.

**Required Vote.** The affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present is required to approve the issuance of shares of Bristol-Myers Squibb stock in connection with the merger. **Bristol-Myers Squibb cannot complete the merger unless its stockholders approve the stock issuance.** Under the current rules and interpretive guidance of the NYSE, votes cast on the stock issuance consist of votes for or against, as well as elections to abstain from voting on the stock issuance. As a result,



## TABLE OF CONTENTS

a Bristol-Myers Squibb stockholder's abstention from voting on the stock issuance will have the same effect as a vote AGAINST the proposal. Assuming a quorum is present, the failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the outcome of any vote to approve the stock issuance because these failures to vote are not considered votes cast.

Approval of the Bristol-Myers Squibb adjournment proposal, whether or not a quorum, as defined under Delaware law, is present, requires the affirmative vote of a majority of the votes present at the Bristol-Myers Squibb special meeting by Bristol-Myers Squibb stockholders entitled to vote. For purposes of the Bristol-Myers Squibb adjournment proposal, votes present on the proposal consist of votes for or against as well as elections to abstain from voting on the proposal. As a result, a Bristol-Myers Squibb stockholder's abstention from voting on the Bristol-Myers Squibb adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.

***Stock Ownership of and Voting by Bristol-Myers Squibb Directors and Executive Officers (see page 221).*** As of January 24, 2019, Bristol-Myers Squibb's directors and executive officers and their affiliates beneficially owned and had the right to vote in the aggregate 1,810,875 shares of Bristol-Myers Squibb stock at the Bristol-Myers Squibb special meeting, which represents approximately less than 1% of the shares of Bristol-Myers Squibb stock entitled to vote at the Bristol-Myers Squibb special meeting. Approval of the stock issuance requires the affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present.

Each of Bristol-Myers Squibb's directors and executive officers is expected, as of the date of this joint proxy statement/prospectus, to vote his or her shares of Bristol-Myers Squibb stock FOR the stock issuance and FOR the Bristol-Myers Squibb adjournment proposal, although none of Bristol-Myers Squibb's directors and executive officers has entered into any agreement requiring them to do so.

### **Special Meeting of Stockholders of Celgene (see page 87)**

**Meeting.** The Celgene special meeting will be held at the offices of Wachtell, Lipton, Rosen & Katz located at 51 West 52<sup>nd</sup> Street, New York, New York 10019 on Friday, April 12, 2019, at 10:00 a.m., Eastern Time. At the Celgene special meeting, Celgene stockholders will be asked to consider and vote on the following proposals:

- to adopt the merger agreement;
- to approve the Celgene adjournment proposal; and
- to approve, on an advisory (non-binding) basis the Celgene compensation advisory proposal.

**Record Date.** A committee of the Celgene Board has fixed the close of business on March 1, 2019, as the record date for the determination of the Celgene stockholders entitled to notice of and to vote at the Celgene special meeting or any adjournment or postponement of the Celgene special meeting. Only Celgene stockholders of record at the record date are entitled to receive notice of, and to vote at, the Celgene special meeting or any adjournment or postponement of the Celgene special meeting. As of the close of business on January 29, 2019, there were 701,024,507 shares of Celgene common stock outstanding and entitled to vote at the Celgene special meeting, held by approximately 363 holders of record. Each holder of shares of Celgene common stock is entitled to one vote for each share of Celgene common stock owned at the record date.

***Quorum.*** The presence at the Celgene special meeting, in person or by proxy, of the holders of a majority of the outstanding shares of Celgene common stock at the record date (the close of business on March 1, 2019) and entitled to vote will constitute a quorum. Shares of Celgene common stock whose holders elect to abstain from voting will be deemed present at the Celgene special meeting for the purpose of determining the presence of a quorum. Shares of Celgene common stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record, and shares of Celgene common stock with respect

TABLE OF CONTENTS

to which the beneficial owner otherwise fails to vote, will not be deemed present at the Celgene special meeting for the purpose of determining the presence of a quorum. There must be a quorum for the vote on the adoption of the merger agreement and the vote on the Celgene compensation advisory (non-binding) proposal to be taken at the Celgene special meeting. Failure of a quorum to be present at the Celgene special meeting will necessitate an adjournment of the meeting and will subject Celgene to additional expense.

**Required Vote.** Pursuant to Delaware law, to adopt the merger agreement, the affirmative vote of the holders of a majority of shares of Celgene common stock outstanding and entitled to vote thereon is required. **Celgene cannot complete the merger and the merger consideration will not be paid unless its stockholders adopt the merger agreement and the other closing conditions specified in the merger agreement are met. Because adoption of the merger agreement requires the affirmative vote of the holders of at least a majority of shares of Celgene common stock outstanding and entitled to vote thereon, a Celgene stockholder's abstention from voting, the failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.**

To approve the Celgene adjournment proposal (whether or not a quorum, as defined under Celgene's by-laws, is present), the affirmative vote of a majority of the votes present at the Celgene special meeting by holders of shares of Celgene common stock is required. For purposes of the Celgene adjournment proposal, votes present consist of votes for or against as well as elections to abstain from voting on the proposal. As a result, a Celgene stockholder's abstention from voting on the Celgene adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.

To approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal (assuming a quorum, as defined under Celgene's by-laws, is present), the affirmative vote of a majority of the votes cast at the Celgene special meeting by holders of shares of Celgene common stock is required. For purposes of the Celgene compensation advisory proposal, votes cast means votes for or against the proposal. As a result, a Celgene stockholder's abstention from voting will have no effect on the outcome of any vote to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the outcome of any vote to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal, except to the extent it results in there being insufficient shares present at the Celgene special meeting to establish a quorum.

**Stock Ownership of and Voting by Celgene Directors and Executive Officers (see page 89).** As of the close of business on January 29, 2019, Celgene's directors and executive officers and their affiliates beneficially owned and had the right to vote in the aggregate 595,296 shares of Celgene common stock at the Celgene special meeting, which represents approximately less than 1% of the shares of Celgene common stock entitled to vote at the Celgene special meeting.

Each of Celgene's directors and executive officers is expected, as of the date of this joint proxy statement/prospectus, to vote his or her shares of Celgene common stock FOR the proposal to adopt the merger agreement, FOR the Celgene adjournment proposal and FOR the Celgene compensation advisory proposal, although none of Celgene's directors or executive officers has entered into any agreement requiring them to do so.

**What Celgene Stockholders Will Receive in the Merger (see page 105)**

If the merger is completed, Celgene stockholders, other than holders of excluded stock and dissenting stock, will be entitled to receive, in exchange for each share of Celgene common stock that they own immediately prior to the completion of the merger, \$50.00 in cash without interest thereon, one share of Bristol-Myers Squibb common stock and one CVR.

The exchange ratio is fixed, which means that it will not change between now and the date of the merger, regardless of whether the market price of either shares of Bristol-Myers Squibb common stock or shares of

TABLE OF CONTENTS

Celgene common stock changes. Therefore, the value of the share consideration will depend on the market price of shares of Bristol-Myers Squibb common stock at the time Celgene stockholders receive shares of Bristol-Myers Squibb common stock in the merger. Based on the closing price of a share of Bristol-Myers Squibb common stock on the NYSE on January 2, 2019, the last trading day prior to announcement of the transaction between Bristol-Myers Squibb and Celgene, the upfront merger consideration represented approximately \$102.43 in value for each share of Celgene common stock (without considering any potential CVR payout). Based on the closing price of a share of Bristol-Myers Squibb common stock on the NYSE on January 31, 2019, the most recent trading day prior to the date of this joint proxy statement/prospectus for which this information was available, the upfront merger consideration represented approximately \$99.37 in value for each share of Celgene common stock (without considering any potential CVR payout). **The market price of shares of Bristol-Myers Squibb common stock has fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this joint proxy statement/prospectus to the date of the Celgene special meeting and the date the merger is completed and thereafter. The market price of shares of Bristol-Myers Squibb common stock when received by Celgene stockholders after the merger is completed could be greater than, less than or the same as the market price of shares of Bristol-Myers Squibb common stock on the date of this joint proxy statement/prospectus or at the time of the Celgene special meeting or any adjournment or postponement thereof.**

**Treatment of Celgene Equity Awards (see page 174)**

At the effective time of the merger, each Celgene Stock Option, whether or not vested will be treated as described below.

If such Celgene Stock Option is an In-the-Money Option it will be assumed by Bristol-Myers Squibb and converted into (a) an Assumed In-the-Money Option to purchase, on the same terms and conditions as applied to each such Celgene Stock Option immediately prior to the effective time of the merger, shares of Bristol-Myers Squibb common stock, except that the number of shares of Bristol-Myers Squibb common stock, subject to such Assumed In-the-Money Options shall equal the product of (i) the number of shares of Celgene common stock that were subject to such Celgene Stock Option immediately prior to the completion of the merger, multiplied by (ii) the Equity Award Exchange Ratio (rounded down to the nearest number of whole shares of Bristol-Myers Squibb common stock) and the per-share exercise price will equal the quotient of (x) the exercise price per share of Celgene common stock at which such Celgene Stock Option was exercisable, divided by (y) the Equity Award Exchange Ratio (rounded up to the nearest whole cent), and (b) the right to receive (i) if such In-the-Money Option was vested prior to the effective time of the merger, one CVR for each share of Celgene common stock underlying such In-the-Money Option or (ii) if such In-the-Money Option was not vested immediately prior to the completion of the merger, immediately upon, and subject to, the vesting of the Assumed In-the Money Option, the Unvested Equity Award CVR Consideration. Each Assumed In-the-Money Option will continue to have the same terms and conditions as applied to the corresponding Celgene Stock Option immediately prior to the effective time of the merger.

If such Celgene Stock Option is an Out-of-the-Money Option, it will be assumed by Bristol-Myers Squibb and converted into an Assumed Out-of-the-Money Stock Option to purchase, on the same terms and conditions as applied to each such Celgene Stock Option immediately prior to the effective time of the merger, shares of Bristol-Myers Squibb common stock, except that the number of shares of Bristol-Myers Squibb common stock, subject to such Assumed Out-of-the-Money Stock Option will equal the product of (i) the number of shares of Celgene common stock that were subject to such Celgene Stock Option immediately prior to the effective time of the merger, multiplied by (ii) the Out-of-the-Money Option Exchange Ratio (rounded down to the nearest number of whole shares of Bristol-Myers Squibb common stock), and the per-share exercise price will equal the quotient of (A) the exercise price per share of Celgene common stock at which such Celgene Stock Option was exercisable, divided by (B) the Out-of-the-Money Option Exchange Ratio (rounded up to the nearest whole cent). Each Assumed Out-of-the-Money Stock Option will continue to have the same terms and conditions as applied to the corresponding Celgene Stock

Option immediately prior to the effective time of the merger.

At the effective time of the merger, each Celgene RSU Award will be assumed by Bristol-Myers Squibb and converted into (i) an Assumed Restricted Unit Award that settles in a number of shares of Bristol-Myers Squibb common stock equal to the number of shares of Celgene common stock underlying the Celgene RSU Award immediately prior to the effective time of the merger multiplied by the Equity Award Exchange Ratio (rounded up to the nearest whole number of shares) and (ii) the right to receive, subject to the vesting of the Assumed

## TABLE OF CONTENTS

Restricted Unit Award, the Unvested Equity Award CVR Consideration. Each Assumed Restricted Unit Award will continue to have the same terms and conditions as applied to the corresponding Celgene RSU Award immediately prior to the effective time of the merger.

At the effective time of the merger, each Celgene PSU Award will be assumed by Bristol-Myers Squibb and converted into (i) an Assumed Performance Unit Award that settles in a number of shares of Bristol-Myers Squibb common stock equal to the product of the number of shares of Celgene common stock underlying the Celgene PSU Award immediately prior to the effective time of the merger (determined by deeming the applicable performance goals to be achieved at the greater of the target level and the actual level of achievement through the end of the calendar quarter immediately preceding the merger effective time) multiplied by the Equity Award Exchange Ratio (rounded up to the nearest whole number of shares), and (ii) the right to receive, subject to the vesting of the Assumed Performance Unit Award, the Unvested Equity Award CVR Consideration. Each Assumed Performance Unit Award will continue to have the same terms and conditions as applied to the corresponding Celgene PSU Award (other than performance-based vesting conditions) immediately prior to the effective time of the merger.

At the effective time of the merger, each Celgene RSA will be assumed by Bristol-Myers Squibb and converted into (i) an Assumed Restricted Stock Award that settles in a number of shares of Bristol-Myers Squibb common stock equal to the number of shares of Celgene common stock underlying the Celgene RSA immediately prior to the effective time of the merger multiplied by the Equity Award Exchange Ratio (rounded up to the nearest whole number of shares), and (ii) the right to receive, subject to the vesting of the Assumed Restricted Stock Award, the Unvested Equity Award CVR Consideration. Each Assumed Restricted Stock Award will continue to have the same terms and conditions as applied to the corresponding Celgene RSA immediately prior to the effective time of the merger.

The capitalized terms used within this section are subsequently defined in The Merger Agreement—Treatment of Celgene Equity Awards beginning on page 174 of this joint proxy statement/prospectus.

### **Recommendation of the Celgene Board of Directors (see page 105)**

The Celgene Board unanimously determined that the merger agreement and the transactions contemplated by the merger agreement (including the merger) are fair to and in the best interests of Celgene and its stockholders. **The Celgene Board unanimously recommends that Celgene stockholders vote FOR the proposal to adopt the merger agreement.** For the factors considered by the Celgene Board in reaching this decision, see Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Celgene’s Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement beginning on page 105 of this joint proxy statement/prospectus.

**The Celgene Board unanimously recommends that Celgene stockholders vote FOR the Celgene adjournment proposal.** See Celgene Proposal II: Adjournment of the Celgene Special Meeting beginning on page 208 of this joint proxy statement/prospectus.

**In addition, the Celgene Board unanimously recommends that Celgene stockholders vote FOR the Celgene compensation advisory proposal.** See Celgene Proposal III: Advisory Vote On Merger-Related Executive Compensation Arrangements beginning on page 209 of this joint proxy statement/prospectus.

### **Recommendation of the Bristol-Myers Squibb Board of Directors (see page 109)**

The BMS Board determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger and the stock issuance, are advisable, fair to and in the best interests of Bristol-Myers Squibb and its stockholders. **The BMS Board unanimously recommends that Bristol-Myers Squibb stockholders vote FOR**

**the stock issuance.** For the factors considered by the BMS Board in reaching this decision, see Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Bristol-Myers Squibb’s Reasons for the Merger; Recommendation of the Bristol-Myers Squibb Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance beginning on page 109 of this joint proxy statement/prospectus.

**The BMS Board unanimously recommends that Bristol-Myers Squibb stockholders vote FOR the Bristol-Myers Squibb adjournment proposal.** See Bristol-Myers Squibb Proposal II: Adjournment of the Bristol-Myers Squibb Special Meeting beginning on page 210 of this joint proxy statement/prospectus.



TABLE OF CONTENTS

**Opinions of Celgene's Financial Advisors (see page 113)**

*Opinion of J.P. Morgan Securities LLC*

Celgene has engaged J.P. Morgan Securities LLC, which is referred to in this joint proxy statement/prospectus as J.P. Morgan, as a financial advisor in connection with the merger. On January 2, 2019, J.P. Morgan delivered to the Celgene Board its oral opinion, confirmed by delivery of a written opinion, dated January 2, 2019, to the effect that, as of such date and based on and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications set forth in its written opinion, the merger consideration to be paid to the holders of Celgene common stock in the merger was fair, from a financial point of view, to such holders. See Opinion of J.P. Morgan Securities LLC beginning on page 113 of this joint proxy statement/prospectus.

The full text of J.P. Morgan's written opinion, dated January 2, 2019, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by J.P. Morgan in rendering its opinion, is attached to this joint proxy statement/prospectus as Annex C and is incorporated into this joint proxy statement/prospectus by reference in its entirety.

**J.P. Morgan's written opinion was addressed to the Celgene Board (in its capacity as such) in connection with and for the purposes of its evaluation of the merger, was directed only to the merger consideration to be paid to the holders of Celgene common stock in the merger and did not address any other aspect of the merger. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. The opinion does not constitute a recommendation to any stockholder of Celgene as to how such stockholder should vote with respect to the merger or any other matter.**

*Opinion of Citigroup Global Markets Inc.*

Celgene also has engaged Citigroup Global Markets Inc., which is referred to in this joint proxy statement/prospectus as Citigroup, as a financial advisor in connection with the merger. On January 2, 2019, Citigroup delivered to the Celgene Board its oral opinion, confirmed by delivery of a written opinion dated, January 2, 2019, to the effect that, as of such date and based on and subject to the assumptions made, procedures followed, matters considered and limitations and qualifications set forth in its written opinion, the merger consideration to be received by the holders of outstanding shares of Celgene common stock in the merger was fair, from a financial point of view, to such holders. See Opinion of Citigroup Global Markets Inc. beginning on page 123 of this joint proxy statement/prospectus.

The full text of Citigroup's written opinion, dated January 2, 2019, which sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by Citigroup in rendering its opinion, is attached to this joint proxy statement/prospectus as Annex D and is incorporated into this joint proxy statement/prospectus by reference in its entirety.

**Citigroup's opinion, the issuance of which was authorized by Citigroup's fairness opinion committee, was provided to the Celgene Board (in its capacity as such) in connection with its evaluation of the merger and was limited to the fairness, from a financial point of view, as of the date of the opinion, to the holders of outstanding shares of Celgene common stock of the merger consideration to be received by such holders in the merger. Citigroup's opinion does not address any other aspects or implications of the merger and does not constitute a recommendation to any stockholder as to how such stockholder should vote or act on any matters relating to the merger or otherwise. Citigroup's opinion does not address the underlying business decision of Celgene to effect the merger, the relative merits of the merger as compared to any alternative business strategies that might exist for Celgene or the effect of any other transaction in which Celgene might engage.**

**Opinions of Bristol-Myers Squibb's Financial Advisors (see page 132)**

*Opinion of Morgan Stanley*

On January 2, 2019, Morgan Stanley & Co. LLC, which is referred to in this joint proxy statement/prospectus as Morgan Stanley, rendered its oral opinion, which was subsequently confirmed by delivery of a written opinion, to the BMS Board to the effect that as of such date, and based upon and subject to the various assumptions made,

TABLE OF CONTENTS

procedures followed, matters considered, and qualifications and limitations on the scope of the review undertaken by Morgan Stanley as set forth in its written opinion, the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement was fair from a financial point of view to Bristol-Myers Squibb.

**The full text of Morgan Stanley's written opinion to the BMS Board, dated January 2, 2019, is attached to this joint proxy statement/prospectus as Annex E, and is incorporated by reference in this joint proxy statement/prospectus in its entirety. Bristol-Myers Squibb stockholders should read the opinion in its entirety for a discussion of the various assumptions made, procedures followed, matters considered, and qualifications and limitations on the scope of review undertaken by Morgan Stanley in rendering its opinion. This summary is qualified in its entirety by reference to the full text of such opinion. Morgan Stanley's opinion was directed to the BMS Board and addressed only the fairness from a financial point of view to Bristol-Myers Squibb, as of the date of the opinion, of the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement. Morgan Stanley's opinion did not address any other aspects of the merger and did not and does not constitute a recommendation as to how stockholders of Bristol-Myers Squibb or Celgene should vote at the stockholders' meetings to be held in connection with the merger.**

*Opinion of Dyal Co.*

On January 2, 2019, Dyal Co. LLC, which is referred to in this joint proxy statement/prospectus as Dyal Co., rendered its oral opinion, which was subsequently confirmed by delivery of a written opinion, to the BMS Board to the effect that as of such date, and based upon and subject to the various assumptions made, procedures followed, matters considered, and qualifications and limitations on the scope of the review undertaken by Dyal Co. as set forth in its written opinion, the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement was fair from a financial point of view to Bristol-Myers Squibb.

**The full text of Dyal Co.'s written opinion to the BMS Board, dated January 2, 2019, is attached to this joint proxy statement/prospectus as Annex F, and is incorporated by reference in this joint proxy statement/prospectus in its entirety. Bristol-Myers Squibb stockholders should read the opinion in its entirety for a discussion of the various assumptions made, procedures followed, matters considered, and qualifications and limitations on the scope of review undertaken by Dyal Co. in rendering its opinion. This summary is qualified in its entirety by reference to the full text of such opinion. Dyal Co.'s opinion was directed to the BMS Board and addressed only the fairness from a financial point of view to Bristol-Myers Squibb, as of the date of the opinion, of the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement. Dyal Co.'s opinion did not address any other aspects of the merger and did not and does not constitute a recommendation as to how stockholders of Bristol-Myers Squibb or Celgene should vote at the stockholders' meetings to be held in connection with the merger.**

*Opinion of Evercore*

On January 2, 2019, Evercore Group L.L.C., which is referred to in this joint proxy statement/prospectus as Evercore, rendered its oral opinion, which was subsequently confirmed by delivery of a written opinion, to the BMS Board to the effect that as of such date, and based upon and subject to the various assumptions made, procedures followed, matters considered, and qualifications and limitations on the scope of the review undertaken by Evercore as set forth in its written opinion, the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement was fair from a financial point of view to Bristol-Myers Squibb.

**The full text of Evercore's written opinion to the BMS Board, dated January 2, 2019, is attached to this joint proxy statement/prospectus as Annex G, and is incorporated by reference in this joint proxy statement/prospectus in its entirety. Bristol-Myers Squibb stockholders should read the opinion in its entirety**

**for a discussion of the various assumptions made, procedures followed, matters considered, and qualifications and limitations on the scope of review undertaken by Evercore in rendering its opinion. This summary is qualified in its entirety by reference to the full text of such opinion. Evercore's opinion was directed to the BMS Board and addressed only the fairness from a financial point of view to Bristol-Myers Squibb, as of the date of the opinion, of the merger consideration to be paid by**

27

## TABLE OF CONTENTS

**Bristol-Myers Squibb pursuant to the merger agreement. Evercore's opinion did not address any other aspects of the merger and did not and does not constitute a recommendation as to how stockholders of Bristol-Myers Squibb or Celgene should vote at the stockholders' meetings to be held in connection with the merger.**

### **Ownership of Bristol-Myers Squibb Common Stock After the Merger (see page 93)**

Based on the number of shares of Celgene common stock outstanding as of January 29, 2019, Bristol-Myers Squibb expects to issue approximately 701,024,507 shares of Bristol-Myers Squibb common stock to Celgene stockholders pursuant to the merger. The actual number of shares of Bristol-Myers Squibb common stock to be issued pursuant to the merger will be determined at completion of the merger based on the number of shares of Celgene common stock outstanding at such time. In addition, shares of Bristol-Myers Squibb common stock may be issued from time to time following the effective time of the merger to holders of Celgene equity awards on the terms set forth in the merger agreement. See *The Merger Agreement—Treatment of Celgene Equity Awards* beginning on page 174 of this joint proxy statement/prospectus for a more detailed explanation. Based on the number of shares of Celgene common stock outstanding as of January 29, 2019, and the number of shares of Bristol-Myers Squibb common stock outstanding as of January 24, 2019, it is expected that, immediately after completion of the merger, former Celgene stockholders will own approximately 31% of the outstanding shares of Bristol-Myers Squibb common stock.

### **Governance Matters Following Completion of the Merger (see page 176)**

Upon completion of the merger, it is expected that the BMS Board will be composed of 13 members. In addition to the individuals serving on the BMS Board at the effective time of the merger, Bristol-Myers Squibb is required to take all necessary corporate action so that, effective at the completion of the merger, the number of members of the BMS Board will be expanded to include two additional members, jointly designated by Celgene and Bristol-Myers Squibb, who are serving as directors of Celgene immediately prior to the completion of the merger. As of the date of this joint proxy statement/prospectus, no determination has been made as to the identity of the two Celgene designees who will be appointed to the BMS Board. See *The Merger Agreement—Governance Matters Following Completion of the Merger* beginning on page 176 for further information.

### **Interests of Celgene's Directors and Executive Officers in the Merger (see page 202)**

In considering the recommendation of the Celgene Board to adopt the merger agreement, Celgene stockholders should be aware that Celgene's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Celgene stockholders generally, including potential severance benefits, treatment of outstanding Celgene equity awards pursuant to the merger agreement and potential vesting of such awards in connection with a qualifying termination of employment on or following the merger (or, in certain circumstances, a termination of employment that otherwise occurs in connection with the merger), and rights to ongoing indemnification and insurance coverage. The Celgene Board was aware of these interests and considered them, among other matters, in evaluating and negotiating the merger agreement, in reaching its decision to approve the merger agreement and the transactions contemplated by the merger agreement (including the merger), and in recommending to Celgene stockholders that the merger agreement be adopted.

These interests are described in further detail under *Interests of Celgene's Directors and Executive Officers in the Merger* and *The Merger Agreement—Indemnification and Insurance* beginning on pages 202 and 195, respectively, of this joint proxy statement/prospectus.

### **Listing of Bristol-Myers Squibb Common Stock and CVRs; Delisting and Deregistration of Shares of Celgene Common Stock (see page 176)**

The merger agreement obligates Bristol-Myers Squibb to use its reasonable best efforts to cause the Bristol-Myers Squibb common stock and the CVRs to be issued in the merger to be listed on the NYSE, subject to official notice of issuance, prior to the completion of the merger. See *The Merger Agreement—Listing of Bristol-Myers Squibb Common Stock and the CVRs* beginning on page 176 for further information. Approval for listing on the NYSE of the Bristol-Myers Squibb common stock and the CVRs, subject to official notice of issuance, is a condition to the obligations of Celgene and Bristol-Myers Squibb to complete the merger as

## TABLE OF CONTENTS

described under The Merger Agreement—Conditions to Completion of the Merger beginning on page 176 of this joint proxy statement/prospectus. If the merger is completed, shares of Celgene common stock will no longer be listed on Nasdaq and will be deregistered under the Exchange Act.

### **Appraisal or Dissenters' Rights Available to Celgene Stockholders (see page 159)**

If the merger is completed, Celgene stockholders who do not vote in favor of the adoption of the merger agreement and who otherwise comply with the applicable provisions of Section 262 of the DGCL will be entitled to exercise appraisal rights thereunder and obtain payment in cash for the fair value of their shares of Celgene, subject to certain limitations under the DGCL. Any shares of Celgene common stock held by a Celgene stockholder on the date of making an appraisal demand, who continues to own such shares through the effective date of the merger, who has not voted in favor of the adoption of the merger agreement and who has demanded appraisal for such shares in accordance with the DGCL will have the right to obtain payment in cash for the fair value of their shares of Celgene in lieu of the merger consideration, unless such Celgene stockholder fails to perfect, effectively withdraws, waives or otherwise loses such stockholder's appraisal rights under the DGCL. If, after the completion of the merger, such holder of Celgene common stock fails to perfect, effectively withdraws, waives or otherwise loses his, her or its appraisal rights, each such share will be treated as if it had been converted as of the completion of the merger into a right to receive the merger consideration.

Due to the complexity of the procedures for exercising your appraisal rights, Celgene stockholders who are considering exercising such rights are encouraged to seek the advice of legal counsel. Failure to strictly comply with these provisions will result in the loss of appraisal rights. See the section titled Appraisal or Dissenters' Rights for Celgene Stockholders contained in this joint proxy statement/prospectus for additional information and the text of Section 262 of the DGCL, which you are encouraged to read carefully and in their entirety.

### **Completion of the Merger Is Subject to Certain Conditions (see page 176)**

As more fully described in this joint proxy statement/prospectus and in the merger agreement, the obligation of each of Bristol-Myers Squibb and Merger Sub, on the one hand, and Celgene, on the other hand, to complete the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of a number of conditions.

*Mutual Conditions to Completion.* The obligation of each of Celgene, Bristol-Myers Squibb and Merger Sub to complete the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of the following conditions:

- adoption of the merger agreement by the affirmative vote of the holders of at least a majority of the outstanding shares of Celgene common stock;
- affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present approving the stock issuance;
- the absence of any injunction or order issued by any court or other governmental authority of competent jurisdiction that enjoins, prevents or prohibits completion of the merger
- effectiveness of the registration statement for the Bristol-Myers Squibb common stock and CVRs to be issued in the merger (of which this joint proxy statement/prospectus forms a part) and the absence of any stop order suspending that effectiveness or any proceedings for that purpose pending before the SEC
- approval for listing on the NYSE of both the Bristol-Myers Squibb common stock and the CVRs to be issued in the merger, subject to official notice of issuance; and
- any applicable waiting period under the HSR Act shall have expired or been terminated and the receipt of approvals under the antitrust laws of certain specified foreign jurisdictions shall have been obtained.

*Additional Conditions to Completion for the Benefit of Bristol-Myers Squibb and Merger Sub.* In addition, the obligation of Bristol-Myers Squibb and Merger Sub to complete the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of the following conditions:

- performance in all material respects by Celgene of the covenants and agreements required to be performed by it at or prior to completion of the merger;

29



## TABLE OF CONTENTS

the accuracy of the representations and warranties of Celgene in the merger agreement as of the date of the merger agreement and as of the completion of the merger (or, in the case of the representations and

- warranties given as of another specified date, as of that date), subject to the applicable materiality standards set forth in the merger agreement and more fully described in The Merger Agreement—Conditions to Completion of the Merger beginning on page 176 of this joint proxy statement/prospectus and
- receipt of a certificate from an executive officer of Celgene confirming the satisfaction of the conditions described in the preceding two bullets.

*Additional Conditions to Completion for the Benefit of Celgene.* In addition, the obligation of Celgene to complete the merger is subject to the satisfaction (or, to the extent permitted by applicable law, waiver) of the following conditions:

- performance in all material respects by each of Bristol-Myers Squibb and Merger Sub of the covenants and agreements required to be performed by it at or prior to completion of the merger; the accuracy of the representations and warranties of Bristol-Myers Squibb and Merger Sub in the merger agreement as of the date of the merger agreement and as of the completion of the merger (or, in the case of
- the representations and warranties given as of another specified date, as of that date), subject to the applicable materiality standards set forth in the merger agreement and more fully described in The Merger Agreement—Conditions to Completion of the Merger beginning on page 176 of this joint proxy statement/prospectus; and
- receipt of a certificate from an executive officer of Bristol-Myers Squibb confirming the satisfaction of the conditions described in the preceding two bullets.

Neither Bristol-Myers Squibb nor Celgene can be certain when, or if, the conditions to the merger will be satisfied or waived, or that the merger will be completed.

### **The Merger May Not Be Completed Without the Required Regulatory Approvals (see page 30)**

Completion of the merger is conditioned upon the expiration or early termination of the waiting period relating to the merger under the HSR Act and the receipt of approvals under the antitrust laws of certain specified foreign jurisdictions.

Under the HSR Act, certain transactions, including the merger, may not be completed unless certain waiting period requirements have expired or been terminated. The HSR Act provides that each party must file a pre-merger notification with the Federal Trade Commission, which is referred to in this joint proxy statement/prospectus as the FTC, and the Antitrust Division of the U.S. Department of Justice, which is referred to in this joint proxy statement/prospectus as the DOJ. A transaction notifiable under the HSR Act may not be completed until the expiration of a 30-calendar-day waiting period following the parties' filings of their respective HSR Act notification forms or the early termination of that waiting period. The parties may also choose to voluntarily re-start the initial 30-day waiting period by following certain prescribed procedures. After the expiration of the initial waiting period (or the re-started initial waiting period), the DOJ or the FTC may issue a Request for Additional Information and Documentary Material, which is referred to in this joint proxy statement/prospectus as a Second Request. If a Second Request is issued, the parties may not complete the merger until they substantially comply with the Second Request and observe a second 30-calendar-day waiting period, unless the waiting period is terminated earlier.

Each of Bristol-Myers Squibb and Celgene filed its respective HSR Act notification and report with respect to the merger on January 16, 2019.

In addition, the European Commission and certain other non-U.S. governmental authorities must approve, or be notified of, the merger, and Bristol-Myers Squibb and/or Celgene and/or their respective subsidiaries will file all such statements, notices or applications, as are required by the laws of applicable non-U.S. governmental authorities.

Neither Bristol-Myers Squibb nor Celgene is aware of any material governmental approvals or actions that are required for completion of the merger other than those described above. It is presently contemplated that if any such additional material governmental approvals or actions are required, those approvals or actions will be sought.

**TABLE OF CONTENTS**

Bristol-Myers Squibb and Celgene have agreed to use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate the merger, including (i) preparing and filing as promptly as practicable all necessary regulatory filings, (ii) supplying information that may be requested by regulatory authorities pursuant to applicable laws, and (iii) cooperating with the other parties, to the extent reasonable, in their efforts to comply with their obligations under the merger agreement. Bristol-Myers Squibb and Celgene are also required to use their reasonable best efforts to contest any governmental action challenging the legality of the merger or any order prohibiting the parties from completing the merger.

Bristol-Myers Squibb's obligation to use reasonable best efforts (as described in the preceding paragraph) also includes taking and agreeing to take all actions and doing or agreeing to do all things necessary, proper or advisable under the relevant law (including divestitures, hold separate arrangements, the termination, assignment, novation or modification of contracts or other business relationships, the acceptance of restrictions on business operations and the entry into other commitments and limitations). However, Bristol-Myers Squibb is not required to take any action or agree to any term or condition if doing so would have or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the financial condition, business or results of operations of Bristol-Myers Squibb, Celgene and their respective subsidiaries, taken as a whole, after giving effect to the completion of the merger. In addition, in connection with obtaining the regulatory approvals required to complete the merger, (i) neither Bristol-Myers Squibb nor Celgene is required to take any action or agree to any term or condition that is not conditioned upon completion of the merger and (ii) Celgene is not permitted to take any action or agree to any term or condition without Bristol-Myers Squibb's consent, but if requested by Bristol-Myers Squibb, Celgene is required to take any such action to obtain regulatory approvals required to complete the merger subject to the immediately preceding clause (i). See *The Merger Agreement—Conditions to Completion of the Merger* beginning on page 176.

**Description of Debt Financing (see page 168)**

Bristol-Myers Squibb's obligation to complete the transaction is not contingent on the receipt by Bristol-Myers Squibb of any financing. Bristol-Myers Squibb estimates that it will need approximately \$36 billion in order to pay Celgene stockholders the cash amounts due to them as merger consideration under the merger agreement and to pay related fees and transaction costs in connection with the transaction. Bristol-Myers Squibb anticipates that the funds needed to pay the foregoing amount will be derived from (i) cash on hand, (ii) borrowings under its existing and new credit facilities described below, (iii) the proceeds from the sale of debt securities or (iv) any combination of the foregoing. In addition, either prior to or after the closing of the transaction, Bristol-Myers Squibb may conduct one or more exchange offers, offers to purchase and/or consent solicitations with respect to Celgene's outstanding debt securities. The terms and timing of any such debt offerings, exchange offers, offers to purchase and/or consent solicitations has not been determined as of the date of this joint proxy statement/prospectus. This joint proxy statement/prospectus does not constitute an offer to sell or the solicitation of an offer to buy any debt securities of Bristol-Myers Squibb or Celgene. It does not constitute a prospectus or prospectus equivalent document for any such securities. No offering of any debt securities of Bristol-Myers Squibb shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act or an exemption therefrom.

In connection with entry into the merger agreement, on January 2, 2019, Bristol-Myers Squibb entered into a bridge facility commitment letter, which is referred to in this joint proxy statement/prospectus as the bridge facility commitment letter, and the credit facility (if any) established in accordance with the terms thereof is referred to in this joint proxy statement/prospectus as the bridge facility, with Morgan Stanley Senior Funding, Inc. and MUFG Bank, Ltd., which are referred to in this joint proxy statement/prospectus as MSSF and MUFG, respectively, to finance up to \$33.5 billion of the (i) cash consideration in connection with the merger, (ii) repayment of certain existing indebtedness of Celgene (if applicable) and (iii) fees and expenses in connection with the foregoing, to the extent that Bristol-Myers Squibb has not received \$33.5 billion of net cash proceeds from a combination of (A) cash on the balance sheet, (B) the issuance by Bristol-Myers Squibb of unsecured debt securities, equity securities and/or

equity-linked securities in public or private offerings the proceeds of which are to be used to finance the merger, and (C) the incurrence by Bristol-Myers Squibb of unsecured term loan facilities, in each case, at or prior to completion of the merger. MSSF and MUFG each provided a commitment to fund loans under the bridge facility and are collectively referred to in this joint proxy statement/prospectus as the initial bridge commitment parties. On January 18, 2019, Bristol-Myers Squibb and

TABLE OF CONTENTS

the initial bridge commitment parties entered into a joinder agreement to the bridge facility commitment letter, which is referred to in this joint proxy statement/prospectus as the bridge joinder agreement, with certain additional commitment parties, which are collectively referred to in this joint proxy statement/prospectus as the additional bridge commitment parties. The bridge joinder agreement amends the bridge facility commitment letter and reallocates the commitments of the initial bridge commitment parties to fund loans under the bridge facility among the initial bridge commitment parties and the additional bridge commitment parties. The initial bridge commitment parties together with the additional bridge commitment parties are collectively referred to in this joint proxy statement/prospectus as the bridge commitment parties. The bridge commitment parties' obligation to fund the bridge facility is subject to several limited conditions as set forth in the bridge facility commitment letter, including, among others, completion of the merger, the non-occurrence of a material adverse effect (as defined in the bridge facility commitment letter) on Celgene, the accuracy in all material respects of certain representations and warranties related to Bristol-Myers Squibb (including the absence of certain events of default by Bristol-Myers Squibb), the delivery of certain financial statements of Bristol-Myers Squibb and Celgene and other customary conditions to completion.

In connection with the merger, on January 18, 2019, Bristol-Myers Squibb entered into a term loan agreement, which is referred to in this joint proxy statement/prospectus as the term loan agreement, with a group of banks and other financial institutions named therein, which are collectively referred to in this joint proxy statement/prospectus as the term lenders, consisting of a \$1 billion 364-day tranche, a \$4 billion three-year tranche and a \$3 billion five-year tranche, which is referred to in this joint proxy statement/prospectus as the term loan facility and the loans thereunder are referred to as the term loans, to finance \$8 billion of (i) cash consideration in connection with the merger, (ii) the repayment of certain existing indebtedness of Celgene (if applicable) and (iii) fees and expenses in connection with the foregoing. The occurrence of the effective date under the term loan agreement on January 18, 2019 had the effect of reducing the commitments under the bridge facility by a principal amount of \$8 billion to \$25.5 billion. The term lenders' obligation to fund the term loan facility is subject to several limited conditions as set forth in the term loan agreement, including, among others, completion of the merger, the non-occurrence of a material adverse effect (as defined in the term loan agreement) on Celgene, the accuracy in all material respects of certain representations and warranties related to Bristol-Myers Squibb (including the absence of certain events of default by Bristol-Myers Squibb), the delivery of certain financial statements of Bristol-Myers Squibb and Celgene and other customary conditions to completion.

On January 25, 2019, Bristol-Myers Squibb entered into a 364-day revolving loan agreement, which is referred to in this joint proxy statement/prospectus as the 364-day revolving loan agreement, with a group of banks and other financial institutions named therein, which are collectively referred to in this joint proxy statement/prospectus as the 364-day revolving lenders, consisting of a \$2 billion 364-day tranche. The 364-day revolving loan agreement replaces in full Bristol-Myers Squibb's existing 364-day revolving facility and shall be used for general corporate purposes, which is referred to in this joint proxy statement/prospectus as the 364-day revolving loan facility and the loans thereunder are referred to as the 364-day revolving loans. The 364-day revolving loan facility is available to be drawn in full, subject to customary conditions to borrowing.

On January 25, 2019, Bristol-Myers Squibb also entered into a three-year revolving loan agreement, which is referred to in this joint proxy statement/prospectus as the three-year revolving loan agreement, with a group of banks and other financial institutions named therein, which are collectively referred to in this joint proxy statement/prospectus as the three-year revolving lenders, consisting of a \$1 billion three-year tranche that shall be used for general corporate purposes, which is referred to in this joint proxy statement/prospectus as the three-year revolving loan facility and the loans thereunder are referred to as the three-year revolving loans. The three-year revolving loan facility is available to be drawn in full, subject to customary conditions to borrowing.

**Bristol-Myers Squibb and Celgene Expect the Merger to be Completed in the Third Quarter of 2019 (see page 32)**

The merger is required to be completed three business days after the conditions to its completion have been satisfied or, to the extent permitted by applicable law, waived, unless otherwise mutually agreed by the parties. As of the date of this joint proxy statement/prospectus, Bristol-Myers Squibb and Celgene expect the merger to be completed in the third quarter of 2019. However, there can be no assurance as to when, or if, the merger will be completed.

TABLE OF CONTENTS**No Solicitation by Celgene or Bristol-Myers Squibb (see page 185)**

As more fully described in this joint proxy statement/prospectus and in the merger agreement, and subject to the terms and conditions set forth in the merger agreement, each of Celgene and Bristol-Myers Squibb has agreed not to, and to cause its subsidiaries and its subsidiaries' directors and officers not to, and to use its reasonable best efforts to cause its and its subsidiaries' other employees and agents, investment bankers, attorneys, accountants, consultants, advisors and representatives, which are collectively referred to in this joint proxy statement/prospectus as representatives, not to, directly or indirectly, (i) solicit, initiate or take any action to knowingly facilitate or knowingly encourage (including by way of furnishing information) the submission of any acquisition proposal (as defined in The Merger Agreement—No Solicitation, beginning on page 185 of this joint proxy statement/prospectus), (ii) enter into or participate in any discussions or negotiations with, furnish any information relating to that party or any of its subsidiaries or afford access to the business, properties, assets, books or records of that party or any of its subsidiaries to, otherwise cooperate in any way with, or knowingly assist, participate in, knowingly facilitate or knowingly encourage any effort by, any third party that such party knows is seeking to make, or has made, an acquisition proposal, (iii) (A) withdraw or qualify, amend or modify in any manner adverse to the other party (or fail to include in this joint proxy statement/prospectus) the recommendation of that party's board of directors that such party's stockholders vote in favor of the adoption of the merger agreement or such party's stockholders vote in favor of the approval of the stock issuance, as applicable, or (B) recommend, adopt or approve or publicly propose to recommend, adopt or approve any acquisition proposal (any of the actions described in this clause (iii) are referred to in this joint proxy statement/prospectus as an adverse recommendation change) or (iv) take any action to make any moratorium, control share acquisition, fair price, supermajority, affiliate transactions or business combination statute or regulation or other similar antitakeover laws and regulations of the State of Delaware, including Section 203 of the DGCL, inapplicable to any third party or any acquisition proposal.

However, if at any time prior to the adoption of the merger agreement by Celgene stockholders, in the case of Celgene, or at any time prior to the approval of the stock issuance by Bristol-Myers Squibb stockholders, in the case of Bristol-Myers Squibb, Celgene or Bristol-Myers Squibb, as applicable, receives a *bona fide* written acquisition proposal made after the date of the merger agreement which has not resulted from a violation of the solicitation restrictions described in The Merger Agreement—No Solicitation, beginning on page 185 of this joint proxy statement/prospectus, the board of directors of that party is permitted to, directly or indirectly through its representatives, and subject to certain exceptions and qualifications described in the merger agreement:

- contact the third party that has made such acquisition proposal in order to ascertain facts or clarify terms for the sole purpose of the Celgene Board or the BMS Board, as applicable, informing itself about such acquisition proposal and such third party; and
- (i) engage in negotiations or discussions with any third party that, subject to Celgene's or Bristol-Myers Squibb's compliance, as applicable, with the solicitation restrictions described in The Merger Agreement—No Solicitation, beginning on page 185 of this joint proxy statement/prospectus, has made after the date of the merger agreement a superior proposal, which is defined in The Merger Agreement—No Solicitation beginning on page 185 of this joint proxy statement/prospectus, or an unsolicited *bona fide* written acquisition proposal that the Celgene Board or the BMS Board, as applicable, determines in good faith, after consultation with its financial advisor and outside legal counsel, is or could reasonably be expected to lead to a superior proposal, (ii) furnish to such third party and its representatives and financing sources nonpublic information relating to Celgene or Bristol-Myers Squibb, as applicable, or any of its subsidiaries pursuant to a confidentiality agreement with confidentiality and use provisions no less favorable and other provisions no less favorable in the aggregate, in each case, to Celgene or Bristol-Myers Squibb, as applicable, than those contained in the confidentiality agreement in place between Celgene and Bristol-Myers Squibb as of the date of the merger agreement, so long as all such nonpublic information (to the extent not previously provided or made available to the other party) is provided or made available to the other party substantially concurrently with

the time it is provided or made available to such third party and (iii) following receipt of a superior proposal after the date of the merger agreement, make an adverse recommendation change and/or terminate the merger agreement to enter into a definitive agreement providing for such



## TABLE OF CONTENTS

superior proposal, but in the case of this clause (iii) only if the Celgene Board or the BMS Board, as applicable, determines in good faith, after consultation with its financial advisor and outside legal counsel, that the failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties under applicable law.

For more information on the solicitation restrictions binding on Celgene and Bristol-Myers Squibb, see *The Merger Agreement—No Solicitation* beginning on page 185 of this joint proxy statement/prospectus.

### **Termination of the Merger Agreement (see page 197)**

As more fully described in this joint proxy statement/prospectus and in the merger agreement, and subject to the terms and conditions set forth in the merger agreement, the merger agreement may be terminated at any time before completion of the merger in any of the following ways:

- by mutual written agreement of Bristol-Myers Squibb and Celgene;
- by either Bristol-Myers Squibb or Celgene, if:
  - the merger has not been completed by the end date of January 2, 2020, which is referred to in this joint proxy statement/prospectus as the end date, subject to Celgene's and Bristol-Myers Squibb's respective right to unilaterally extend the end date for two additional 60-day periods upon written notice to the other party, if at the time of each such extension all closing conditions (other than the closing conditions with respect to receipt of HSR Act clearance and approvals under the antitrust laws of certain specified jurisdictions or there being no injunction or order enjoining, preventing or prohibiting the consummation of the merger, if such injunction or order relates to the receipt of HSR clearance or approvals under the antitrust laws of certain specified jurisdictions) have been satisfied or waived. However, the right to terminate the merger agreement after the end date (as may be extended) or to extend the end date will not be available to Celgene or Bristol-Myers Squibb, as applicable, if that party's breach of any provision of the merger agreement is the proximate cause of the failure of the merger to be completed by the end date (as may be extended);
  - a governmental authority of competent jurisdiction issued an injunction or order that permanently enjoins, prevents or prohibits the completion of the merger and such injunction or order has become final and nonappealable;
  - Celgene stockholders fail to adopt the merger agreement upon a vote taken on a proposal to adopt the merger agreement at the Celgene special meeting;
  - Bristol-Myers Squibb stockholders fail to approve the stock issuance upon a vote taken on a proposal to approve the stock issuance at the Bristol-Myers Squibb special meeting; or
  - there has been a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the other party that would cause the other party to fail to satisfy any condition to completion of the merger related to the accuracy of its representations and warranties or the performance of its covenants and agreements, and such breach or failure to perform either (i) is incapable of being cured by the end date (as may be extended) or (ii) has not been cured upon the earlier of (A) 30 days following notice from the non-breaching party of such breach or failure to perform and (B) the end date (as may be extended). However, the right to terminate the merger agreement in respect of an inaccuracy of any representation or warranty or the failure to perform any covenant or agreement will not be available to a party if such party is then in breach of its representations, warranties, covenants or agreements that would cause the applicable condition to completion of the merger related to accuracy of its representations and warranties or performance of its covenants and agreements not to be satisfied.

**TABLE OF CONTENTS**

- by Bristol-Myers Squibb, if:
  - prior to the adoption of the merger agreement by Celgene stockholders, the Celgene Board (i) makes an adverse recommendation change or (ii) fails to publicly confirm its recommendation to Celgene stockholders in favor of adopting the merger agreement within ten business days after a written request by Bristol-Myers Squibb to do so following the public disclosure of an acquisition proposal for Celgene (but Bristol-Myers Squibb may not make such a request more than once for each acquisition proposal or material modification to an acquisition proposal); or
  - prior to obtaining the approval of the stock issuance by Bristol-Myers Squibb stockholders, Bristol-Myers Squibb terminates the merger agreement in order to enter into a definitive agreement providing for a superior proposal.
- by Celgene, if:
  - prior to the approval of the stock issuance by Bristol-Myers Squibb stockholders, the BMS Board (i) makes an adverse recommendation change or (ii) fails to publicly confirm its recommendation to Bristol-Myers Squibb stockholders in favor of the stock issuance within ten business days after a written request to do so from Celgene following the public disclosure of an acquisition proposal for Bristol-Myers Squibb (but Celgene may not make such a request more than once for each acquisition proposal or material modification to an acquisition proposal); or
  - prior to the adoption of the merger agreement by Celgene stockholders, Celgene terminates the merger agreement in order to enter into a definitive agreement providing for a superior proposal.

**Termination Fees and Expenses (see page 199)**

As more fully described in this joint proxy statement/prospectus and in the merger agreement, and subject to the terms and conditions set forth in the merger agreement, Celgene has agreed to pay the Celgene termination fee, if the merger agreement is terminated under any of the following circumstances:

- by Bristol-Myers Squibb, prior to the adoption of the merger agreement by Celgene stockholders, as a result of the Celgene Board (i) making an adverse recommendation change or (ii) failing to publicly confirm its recommendation that Celgene’s stockholders adopt the merger agreement within ten business days after a written request to do so from Bristol-Myers Squibb following the public disclosure of an acquisition proposal for Celgene;
- by Bristol-Myers Squibb, prior to the adoption of the merger agreement by Celgene stockholders, as a result of a material breach by Celgene of any of its obligations described under *The Merger Agreement—No Solicitation* beginning on page 185 of this joint proxy statement/prospectus or any of its obligation to call and hold a meeting of its stockholders for purposes of adopting the merger agreement described under *The Merger Agreement—Obligations to Call Stockholders’ Meetings* beginning on page 193 of this joint proxy statement/prospectus, and, at or prior to the date of such termination, an acquisition proposal for Celgene has been made and not publicly and irrevocably withdrawn at least four days prior to the Celgene special meeting, and on or prior to the first anniversary of such termination, Celgene enters into a definitive agreement, or completes a transaction, relating to an acquisition proposal for Celgene. However, in this instance, any references in the definition of acquisition proposal to 20% will be replaced by 50%;
- by Celgene, prior to the adoption of the merger agreement by Celgene stockholders, in order to enter into a definitive agreement providing for a superior proposal; or
- by Bristol-Myers Squibb or Celgene, as a result of Celgene stockholders failing to adopt the merger agreement upon a vote taken on a proposal to adopt the merger agreement at the Celgene special meeting and, at or prior to the Celgene special meeting, an acquisition proposal for Celgene has been publicly disclosed or announced and not publicly and irrevocably withdrawn at least four days prior to the Celgene special meeting, and on or prior to the first anniversary of such termination, Celgene enters into a definitive agreement, or completes a transaction, relating to an acquisition proposal for Celgene. However, in this instance, any references in the definition of acquisition proposal to 20% will be replaced by 50%.

If the merger agreement is terminated by either Bristol-Myers Squibb or Celgene as a result of the Celgene stockholders voting on and failing to adopt the merger agreement at the Celgene special meeting or at any

TABLE OF CONTENTS

adjournment or postponement thereof, then Celgene will pay Bristol-Myers Squibb the Bristol-Myers Squibb fee reimbursement. If the Celgene termination fee is payable by Celgene after the time Celgene pays the Bristol-Myers Squibb fee reimbursement, the amount of the Celgene termination fee will be reduced by the Bristol-Myers Squibb fee reimbursement.

As more fully described in this joint proxy statement/prospectus and in the merger agreement, and subject to the terms and conditions set forth in the merger agreement, Bristol-Myers Squibb has agreed to pay the Bristol-Myers Squibb termination fee, if the merger agreement is terminated under any of the following circumstances:

- by Celgene, prior to the approval of the stock issuance by Bristol-Myers Squibb stockholders, as a result of the BMS Board, (i) making an adverse recommendation change or (ii) failing to publicly confirm its recommendation that Bristol-Myers Squibb’s stockholders approve the stock issuance within ten business days after a written request to do so from Celgene following the public disclosure of an acquisition proposal for Bristol-Myers Squibb;
- by Celgene, prior to the approval of the stock issuance by Bristol-Myers Squibb stockholders, as a result of a material breach by Bristol-Myers Squibb of any of its obligations described under The Merger Agreement—No Solicitation beginning on page 185 of this joint proxy statement/prospectus or any of its obligations to call and hold a meeting of its stockholders for purposes of approving the stock issuance described under The Merger Agreement—Obligations to Call Stockholders’ Meetings beginning on page 193 of this joint proxy statement/prospectus and, at or prior to the date of such termination, an acquisition proposal for Bristol-Myers Squibb has been publicly disclosed or announced, and on or prior to the first anniversary of such termination, Bristol-Myers Squibb enters into a definitive agreement, or completes a transaction, relating to an acquisition proposal for Bristol-Myers Squibb. However, in this instance, any references in the definition of acquisition proposal to 20% will be replaced by 50%;
- by Bristol-Myers Squibb, prior to obtaining the approval of the stock issuance by Bristol-Myers Squibb stockholders, in order to enter into a definitive agreement providing for a superior proposal; or
- by Celgene or Bristol-Myers Squibb, as a result of Bristol-Myers Squibb stockholders failing to approve the stock issuance upon a vote taken on a proposal to approve the stock issuance at the Bristol-Myers Squibb special meeting and, at or prior to the Bristol-Myers Squibb special meeting, an acquisition proposal for Bristol-Myers Squibb has been publicly disclosed or announced and not publicly and irrevocably withdrawn at least four days prior to the Bristol-Myers Squibb special meeting, and on or prior to the first anniversary of such termination, Bristol-Myers Squibb enters into a definitive agreement, or completes a transaction, relating to an acquisition proposal for Bristol-Myers Squibb. However, in this instance, any references in the definition of acquisition proposal to 20% will be replaced by 50%.

If the merger agreement is terminated by either Bristol-Myers Squibb or Celgene as a result of the Bristol-Myers Squibb stockholders voting on and failing to approve the stock issuance at the Bristol-Myers Squibb special meeting or at any adjournment or postponement thereof, then Bristol-Myers Squibb will pay Celgene the Celgene fee reimbursement. If the Bristol-Myers Squibb termination fee is payable by Bristol-Myers Squibb after the time Bristol-Myers Squibb pays the Celgene fee reimbursement, the amount of the Bristol-Myers Squibb termination fee will be reduced by the Celgene fee reimbursement.

Except in the case of fraud or willful breach of any covenant or agreement in the merger agreement, if either party receives the applicable termination fee in accordance with the provisions of the merger agreement, the receipt of such termination fee will be the receiving party’s sole and exclusive remedy against the paying party.

See The Merger Agreement—Termination Fees and Expenses beginning on page 199 of this joint proxy statement/prospectus for a more complete description of the circumstances under which Celgene or Bristol-Myers Squibb will be required to pay a termination fee or expense reimbursement.

**Specific Performance; Remedies (see page 201)**

Under the merger agreement, each of Bristol-Myers Squibb and Celgene is entitled to an injunction or injunctions to prevent breaches or threatened breaches of the merger agreement and to specifically enforce the terms and provisions of the merger agreement.

36

## TABLE OF CONTENTS

### **Material U.S. Federal Income Tax Consequences (see page 164)**

The exchange of shares of Celgene common stock for the merger consideration pursuant to the merger will be a taxable transaction for U.S. federal income tax purposes. Accordingly, a Celgene stockholder that is a U.S. holder (as defined in Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences ) will recognize taxable capital gain or loss in an amount equal to the difference, if any, between (i) the sum of (A) the amount of cash, including cash in lieu of fractional shares, received by such U.S. holder in the merger, (B) the fair market value of the shares of Bristol-Myers Squibb common stock received by such U.S. holder in the merger, and (C) the fair market value of the CVRs received by such U.S. holder in the merger, each determined on the date of the completion of the merger and (ii) such U.S. holder's adjusted tax basis in the shares of Celgene common stock exchanged therefor. With respect to a Celgene stockholder that is a non-U.S. holder (as defined in Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences ), the exchange of shares of Celgene common stock for the merger consideration pursuant to the merger generally will not result in tax to such non-U.S. holder under U.S. federal income tax laws unless such non-U.S. holder has certain connections with the United States.

Each Celgene stockholder is urged to read the discussion in the section entitled Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences beginning on page 164 of this joint proxy statement/prospectus and to consult its tax advisor to determine the particular U.S. federal, state or local or non-U.S. income or other tax consequences to it of the merger.

### **Accounting Treatment (see page 167)**

The merger will be accounted for as an acquisition of a business. Bristol-Myers Squibb will record assets acquired and liabilities assumed from Celgene primarily at their respective fair values at the date of completion of the merger. Any excess of the purchase price (as described under Note 5. Estimate of consideration expected to be transferred in the Celgene merger and preliminary purchase price allocation under Certain Unaudited Pro Forma Condensed Combined Financial Statements beginning on page 58 of this joint proxy statement/prospectus) over the net fair value of such assets and liabilities will be recorded as goodwill.

### **Rights of Celgene Stockholders Will Change as a Result of the Merger (see page 225)**

Celgene stockholders will have different rights once they become Bristol-Myers Squibb stockholders due to differences between the organizational documents of Bristol-Myers Squibb and Celgene. These differences are described in more detail under Comparison of Stockholder Rights beginning on page 225 of this joint proxy statement/prospectus.

### **Litigation Relating to the Merger (see page 170)**

As of January 30, 2019, no complaints had been filed by purported Celgene stockholders challenging the merger, and no complaints had been filed by purported Bristol-Myers Squibb stockholders challenging the merger.

### **Risk Factors (see page 38)**

You should also carefully consider the risks that are described in the section entitled Risk Factors beginning on page 38 of this joint proxy statement/prospectus.



TABLE OF CONTENTS**RISK FACTORS**

*In addition to the other information contained or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in Cautionary Statement Regarding Forward-Looking Statements beginning on page 79 of this joint proxy statement/prospectus, you should carefully consider the following risk factors in determining whether to vote for the adoption of the merger agreement or approval of the stock issuance. You also should read and consider the risk factors associated with each of the businesses of Bristol-Myers Squibb and Celgene because these risk factors may affect the operations and financial results of the combined company. These risk factors may be found under Part I, Item 1A, Risk Factors in each company's Annual Report on Form 10-K for the year ended December 31, 2017, as updated by their respective Quarterly Reports on Form 10-Q, and future filings with the SEC, each of which is on file or will be filed with the SEC and all of which are incorporated by reference into this joint proxy statement/prospectus.*

**Risks Related to the Merger**

**Because the exchange ratio is fixed and the market price of shares of Bristol-Myers Squibb common stock has fluctuated and will continue to fluctuate, and because of the uncertainty of the fair market value of, and the ultimate realization on, the CVRs, Celgene stockholders cannot be sure of the value of the merger consideration they will receive in the merger.**

Upon completion of the merger, each share of Celgene common stock outstanding immediately prior to the completion of the merger (other than excluded stock and dissenting stock) will be converted into the right to receive \$50.00 in cash without interest thereon, one share of Bristol-Myers Squibb common stock and one CVR. Because the exchange ratio of one share of Bristol-Myers Squibb common stock is fixed, the value of the share consideration will depend on the market price of shares of Bristol-Myers Squibb common stock at the time the merger is completed. The market price of shares of Bristol-Myers Squibb common stock has fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this joint proxy statement/prospectus to the date of the Celgene special meeting and the date the merger is completed, which could occur a considerable amount of time after the date of the Celgene special meeting, and thereafter. There is also uncertainty regarding the fair market value of the CVRs and whether any payment will ultimately be realized on the CVRs. Accordingly, at the time of the Celgene special meeting, Celgene stockholders will not know or be able to determine the market value of the merger consideration they would be entitled to receive upon completion of the merger. Stock price changes may result from a variety of factors, including, among others, general market and economic conditions, changes in Bristol-Myers Squibb's and Celgene's respective businesses, operations and prospects, risks inherent in their respective businesses, changes in market assessments of the likelihood that the merger will be completed and/or the value that may be generated by the merger, and changes with respect to expectations regarding the timing of the merger and regulatory considerations. Many of these factors are beyond Bristol-Myers Squibb's and Celgene's control. Bristol-Myers Squibb stockholders and Celgene stockholders are urged to obtain current market quotations for shares of Bristol-Myers Squibb common stock in deciding whether to vote for the stock issuance or the adoption of the merger agreement, as applicable.

**The market price of shares of Bristol-Myers Squibb common stock after the merger will continue to fluctuate and may be affected by factors different from those that are currently affecting or historically have affected the market price of shares of Celgene common stock or Bristol-Myers Squibb common stock.**

Upon completion of the merger, holders of shares of Celgene common stock will become holders of shares of Bristol-Myers Squibb common stock. The market price of Bristol-Myers Squibb common stock may fluctuate significantly following completion of the merger, and holders of shares of Celgene common stock could lose the value of their investment in Bristol-Myers Squibb common stock if, among other things, the combined company is unable to



achieve the expected growth in earnings, or if the operational cost savings estimates in connection with the integration of the Celgene and Bristol-Myers Squibb business are not realized, or if the transaction costs relating to the merger are greater than expected, or if the financing related to the merger is on unfavorable terms. The market price also may decline if the combined company does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by financial or industry analysts or if the effect of the merger on the combined company's financial position, results of operations or cash flows is not consistent with the expectations of financial or industry analysts. The issuance of shares of Bristol-Myers Squibb common stock in the merger could on its own have the effect of depressing the market price for Bristol-Myers Squibb common stock. In addition, many Celgene stockholders may decide not to hold the shares of Bristol-Myers Squibb

## TABLE OF CONTENTS

common stock they receive as a result of the merger. Other Celgene stockholders, such as funds with limitations on their permitted holdings of stock in individual issuers, may be required to sell the shares of Bristol-Myers Squibb common stock they receive as a result of the merger. Any such sales of Bristol-Myers Squibb common stock could have the effect of depressing the market price for Bristol-Myers Squibb common stock.

In addition, in the future Bristol-Myers Squibb may issue additional securities to raise capital. Bristol-Myers Squibb may also acquire interests in other companies by issuing Bristol-Myers Squibb common stock to finance the acquisition, in whole or in part. Bristol-Myers Squibb may also issue securities convertible into Bristol-Myers Squibb common stock.

Moreover, general fluctuations in stock markets could have a material adverse effect on the market for, or liquidity of, the Bristol-Myers Squibb common stock, regardless of Bristol-Myers Squibb's actual operating performance.

The businesses of Bristol-Myers Squibb differ from those of Celgene in important respects and, accordingly, the results of operations of the combined company after the merger, as well as the market price of shares of Bristol-Myers Squibb common stock, may be affected by factors different from those that are currently affecting, historically have affected or would in the future affect the results of operations of Celgene and Bristol-Myers Squibb as stand-alone public companies, as well as the market price of shares of Celgene common stock and Bristol-Myers Squibb common stock prior to completion of the merger. For further information on the respective businesses of Bristol-Myers Squibb and Celgene and certain factors to consider in connection with those businesses, see the documents incorporated by reference into this joint proxy statement/prospectus and referred to under "Where You Can Find More Information" beginning on page 250 of this joint proxy statement/prospectus.

### **Bristol-Myers Squibb and Celgene may have difficulty attracting, motivating and retaining executives and other key employees in light of the merger.**

Bristol-Myers Squibb's success after the transaction will depend in part on the ability of Bristol-Myers Squibb to retain key executives and other employees of Celgene. Uncertainty about the effect of the merger on Bristol-Myers Squibb and Celgene employees may have an adverse effect on each of Bristol-Myers Squibb and Celgene separately and consequently the combined business. This uncertainty may impair Bristol-Myers Squibb's and/or Celgene's ability to attract, retain and motivate key personnel. Employee retention may be particularly challenging during the pendency of the merger, as employees of Bristol-Myers Squibb and Celgene may experience uncertainty about their future roles in the combined business.

Additionally, Celgene's officers and employees may hold shares of Celgene common stock, and, if the merger is completed, these officers and employees may be entitled to the merger consideration in respect of such shares of Celgene common stock. Officers and employees may hold Celgene Stock Options, Celgene RSUs and Celgene PSUs that are subject to accelerated vesting upon a termination without cause and, in some cases, a resignation for "good reason" on or following completion of the merger. Pursuant to severance plans maintained by Celgene, certain key employees of Celgene are also entitled to receive severance payments upon a termination without cause and/or a resignation for "good reason" on or following completion of the merger. Under these plans, certain key employees of Celgene potentially could resign from his or her employment following specified circumstances set forth in the applicable plan, including an adverse change in his or her title, authority or responsibilities, compensation and benefits or primary office location that would result in the payments under the arrangements. These payments, individually or in the aggregate, could make retention of Celgene officers and employees more difficult.

Furthermore, if key employees of Bristol-Myers Squibb or Celgene depart or are at risk of departing, including because of issues relating to the uncertainty and difficulty of integration, financial security or a desire not to become employees of the combined business, Bristol-Myers Squibb may have to incur significant costs in retaining such

individuals or in identifying, hiring and retaining replacements for departing employees and may lose significant expertise and talent, and the combined company's ability to realize the anticipated benefits of the merger may be materially and adversely affected. No assurance can be given that the combined company will be able to attract or retain key employees to the same extent that Celgene has been able to attract or retain employees in the past.

TABLE OF CONTENTS

**In order to complete the merger, Bristol-Myers Squibb and Celgene must obtain certain governmental approvals, and if such approvals are not granted or are granted with conditions that become applicable to the parties, completion of the merger may be jeopardized or prevented or the anticipated benefits of the merger could be reduced.**

Completion of the merger is conditioned upon the expiration or early termination of the waiting period relating to the merger under the HSR Act and the receipt of approvals under the antitrust laws of certain specified foreign jurisdictions. Although Bristol-Myers Squibb and Celgene have agreed in the merger agreement to use their reasonable best efforts, subject to certain limitations, to make certain governmental filings and obtain the required governmental approvals, as the case may be, there can be no assurance that the relevant waiting periods will expire or terminate or the required approvals will be obtained and no assurance that the merger will be completed.

In addition, the governmental authorities from which these approvals are required have broad discretion in administering the governing laws and regulations, and may take into account various facts and circumstances in their consideration of the merger, including other potential transactions in the biopharmaceutical industry or other industries. These governmental authorities may be affected by government shutdowns, which could result in delays regarding any potential approvals or other actions. These governmental authorities may initiate proceedings seeking to prevent, or otherwise seek to prevent, the merger. As a condition to the approval of the merger or related transactions, these governmental authorities also may impose requirements, limitations or costs, require divestitures or place restrictions on the conduct of Bristol-Myers Squibb's business or Celgene's business after completion of the merger. Under the terms of the merger agreement, Bristol-Myers Squibb is obligated to use its reasonable best efforts to complete the merger, but is not required to take any actions or agree to any terms or conditions in connection with obtaining any regulatory approvals for completing the merger that would have, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the financial condition, business or results of operations of Bristol-Myers Squibb, Celgene and their respective subsidiaries, taken as a whole, after giving effect to the completion of the merger. Celgene has also agreed, if requested in writing by Bristol-Myers Squibb, to take any such actions to obtain any governmental approval that is a condition for completing the merger, see *The Merger Agreement—Reasonable Best Efforts Covenant* beginning on page 188 of this joint proxy statement/prospectus for additional information related to these provisions.

However, notwithstanding the provisions of the merger agreement, either Bristol-Myers Squibb or Celgene could become subject to terms or conditions in connection with the expiration or termination of such waiting periods or the receipt of other required approvals the imposition of which could adversely affect Bristol-Myers Squibb's ability to integrate Celgene's operations with Bristol-Myers Squibb's operations, reduce the anticipated benefits of the merger or otherwise materially and adversely affect the combined company's business and results of operations after completion of the merger. See *The Merger Agreement—Conditions to Completion of the Merger* and *The Merger Agreement—Reasonable Best Efforts Covenant* beginning on pages 176 and 188, respectively, of this joint proxy statement/prospectus.

**In addition to receipt of certain governmental approvals, completion of the merger is subject to a number of other conditions, and if these conditions are not satisfied or waived, the merger will not be completed.**

The obligations of Bristol-Myers Squibb and Celgene to complete the merger are subject to satisfaction or waiver of a number of conditions in addition to receipt of certain specified governmental approvals, including, among other conditions: (i) adoption of the merger agreement by Celgene stockholders at the Celgene special meeting; (ii) approval of the stock issuance by Bristol-Myers Squibb stockholders at the Bristol-Myers Squibb special meeting; (iii) approval for the listing on the NYSE of the shares of Bristol-Myers Squibb common stock and CVRs to be issued in the merger; (iv) absence of any injunction or order that prohibits completion of the transaction; (v) accuracy of the representations and warranties made in the merger agreement by the other party, subject to the applicable materiality

standards set forth in the merger agreement; (vi) performance in all material respects by the other party of the covenants and agreements required to be performed by such party at or prior to completion of the merger; and (vii) the effectiveness of the registration statement on Form S-4 relating to the merger and no stop order suspending the effectiveness of the registration statement and no proceedings for such purpose are pending before the SEC. For a more complete summary of the conditions that must be satisfied or

**TABLE OF CONTENTS**

waived prior to completion of the merger, see *The Merger Agreement—Conditions to Completion of the Merger* beginning on page 176 of this joint proxy statement/prospectus. There can be no assurance that the conditions to completion of the merger will be satisfied or waived or that the merger will be completed within the expected time frame, or at all.

In addition, the Bristol-Myers Squibb special meeting and the Celgene special meeting may take place before certain governmental approvals have been obtained and, therefore, before the terms on which such governmental approvals may be obtained, or the conditions to obtaining such governmental approvals that may be imposed, are known. As a result, if Bristol-Myers Squibb stockholders approve the stock issuance at the Bristol-Myers Squibb special meeting, or Celgene stockholders adopt the merger agreement at the Celgene special meeting, Bristol-Myers Squibb and Celgene may make decisions after the respective meetings to waive a condition as to the receipt of certain specified governmental approvals or to take certain actions required to obtain such governmental approvals without seeking further stockholder approval, and such actions could have an adverse effect on the combined company.

**Failure to complete the merger could negatively impact the stock price and the future business and financial results of Bristol-Myers Squibb and Celgene.**

If the merger is not completed for any reason, including as a result of Celgene stockholders failing to adopt the merger agreement or Bristol-Myers Squibb stockholders failing to approve the stock issuance, the ongoing businesses of Bristol-Myers Squibb and Celgene may be materially and adversely affected and, without realizing any of the benefits of having completed the merger, Bristol-Myers Squibb and Celgene would be subject to a number of risks, including the following:

- Bristol-Myers Squibb and Celgene may experience negative reactions from the financial markets, including negative impacts on trading prices of Bristol-Myers Squibb common stock, shares of Celgene common stock and both companies' other securities, and from their respective customers, vendors, regulators and employees; Celgene may be required to pay Bristol-Myers Squibb a termination fee of \$2.2 billion if the merger agreement is terminated under certain circumstances, and Bristol-Myers Squibb may be required to pay Celgene a termination fee of \$2.2 billion if the merger agreement is terminated under certain other circumstances (see *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus);
- Bristol-Myers Squibb and Celgene will be required to pay certain transaction expenses and other costs incurred in connection with the merger, whether or not the merger is completed, including, in certain circumstances, certain fees and expenses of the other party in connection with the Celgene fee reimbursement or the Bristol-Myers Squibb fee reimbursement, as applicable (see *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus);
- the merger agreement places certain restrictions on the conduct of each of Celgene's and Bristol-Myers Squibb's respective businesses prior to completion of the merger, and such restrictions, the waiver of which is subject to the consent of the other party, may prevent Celgene or Bristol-Myers Squibb, as applicable, from making certain acquisitions, taking certain other specified actions or otherwise pursuing business opportunities during the pendency of the merger that Celgene or Bristol-Myers Squibb would have made, taken or pursued if these restrictions were not in place (see *The Merger Agreement—Conduct of Business Pending the Merger* beginning on page 180 of this joint proxy statement/prospectus for a description of the restrictive covenants applicable to Celgene and Bristol-Myers Squibb); and
- matters relating to the merger (including arranging permanent financing and integration planning) will require substantial commitments of time and resources by Bristol-Myers Squibb and Celgene management and the expenditure of significant funds in the form of fees and expenses, which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to either Bristol-Myers Squibb or Celgene as an independent company.



## TABLE OF CONTENTS

In addition, each of Bristol-Myers Squibb and Celgene could be subject to litigation related to any failure to complete the merger or related to any proceeding to specifically enforce Bristol-Myers Squibb's or Celgene's obligation to perform their respective obligations under the merger agreement.

If any of these risks materialize, they may materially and adversely affect Bristol-Myers Squibb's and/or Celgene's businesses, financial condition, financial results, ratings, stock prices and/or bond prices.

### **If the merger is completed, Bristol-Myers Squibb may fail to realize the anticipated benefits and cost savings of the merger, which could adversely affect the value of shares of Bristol-Myers Squibb common stock.**

The success of the merger will depend, in part, on Bristol-Myers Squibb's ability to realize the anticipated benefits and cost savings from combining the businesses of Bristol-Myers Squibb and Celgene. Bristol-Myers Squibb's ability to realize these anticipated benefits and cost savings is subject to certain risks, including, among others:

- Bristol-Myers Squibb's ability to successfully combine the businesses of Bristol-Myers Squibb and Celgene;
- the risk that the combined businesses will not perform as expected;
- the extent to which Bristol-Myers Squibb will be able to realize the expected synergies, which include potential savings from re-assessing priority assets and aligning investments, eliminating duplication and redundancy, adopting an optimized operating model between both companies and leveraging scale, and value creation resulting from the combination of the businesses of Bristol-Myers Squibb and Celgene;
- the possibility that Bristol-Myers Squibb paid more for Celgene than the value it will derive from the merger;
- the possibility that Bristol-Myers Squibb will not achieve the free cash flow that it has projected;
- the reduction of Bristol-Myers Squibb's cash available for operations and other uses and the incurrence of indebtedness to finance the merger;
- the assumption of known and unknown liabilities of Celgene;
- the possibility of a decline of the credit ratings of the combined company following the completion of the merger; and
- the possibility of costly litigation challenging the merger.

If Bristol-Myers Squibb is not able to successfully combine the businesses of Bristol-Myers Squibb and Celgene within the anticipated time frame, or at all, the anticipated cost savings and other benefits of the merger may not be realized fully or may take longer to realize than expected, the combined businesses may not perform as expected and the value of the shares of Bristol-Myers Squibb common stock may be adversely affected.

Bristol-Myers Squibb and Celgene have operated and, until completion of the merger will continue to operate, independently, and there can be no assurances that their businesses can be integrated successfully. It is possible that the integration process could result in the loss of key Bristol-Myers Squibb or Celgene employees, the disruption of either company's or both companies' ongoing businesses or in unexpected integration issues, higher than expected integration costs and an overall post-completion integration process that takes longer than originally anticipated. Specifically, issues that must be addressed in integrating the operations of Celgene and Bristol-Myers Squibb in order to realize the anticipated benefits of the merger so the combined business performs as expected include, among others:

- combining the companies' separate operational, financial, reporting and corporate functions;
- integrating the companies' technologies, products and services;
- identifying and eliminating redundant and underperforming operations and assets;
- harmonizing the companies' operating practices, employee development, compensation and benefit programs, internal controls and other policies, procedures and processes;
- addressing possible differences in corporate cultures and management philosophies;



TABLE OF CONTENTS

- maintaining employee morale and retaining key management and other employees;
- attracting and recruiting prospective employees;
- consolidating the companies' corporate, administrative and information technology infrastructure;
- coordinating sales, distribution and marketing efforts;
- managing the movement of certain businesses and positions to different locations;
- maintaining existing agreements with customers and vendors and avoiding delays in entering into new agreements with prospective customers and vendors;
- coordinating geographically dispersed organizations;
- consolidating facilities of Celgene and Bristol-Myers Squibb that are currently in or near the same location;
- and
- effecting potential actions that may be required in connection with obtaining regulatory approvals.

In addition, at times, the attention of certain members of each company's management and each company's resources may be focused on completion of the merger and the integration of the businesses of the two companies and diverted from day-to-day business operations, which may disrupt each company's ongoing business and the business of the combined company.

**Celgene's executive officers and directors have interests in the merger that may be different from your interests as a stockholder of Celgene.**

When considering the recommendation of the Celgene Board that Celgene stockholders vote in favor of the adoption of the merger agreement, Celgene stockholders should be aware that Celgene's directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of Celgene stockholders generally, including potential severance benefits, treatment of outstanding Celgene equity awards pursuant to the merger agreement and potential vesting of such awards in connection with a qualifying termination of employment on or following the merger (or, in certain circumstances, a termination of employment that otherwise occurs in connection with the merger), and rights to ongoing indemnification and insurance coverage. See *Interests of Celgene's Directors and Executive Officers in the Merger* beginning on page 202 of this joint proxy statement/prospectus for a more detailed description of these interests. The Celgene Board and the BMS Board were aware of these interests and considered them, in addition to other matters, in evaluating and negotiating the merger agreement and in recommending that Celgene stockholders adopt the merger agreement and that the Bristol-Myers Squibb stockholders approve the stock issuance, respectively.

**The merger agreement contains provisions that make it more difficult for Bristol-Myers Squibb and Celgene to pursue alternatives to the merger and may discourage other companies from trying to acquire Celgene for greater consideration than what Bristol-Myers Squibb has agreed to pay.**

The merger agreement contains provisions that make it more difficult for Celgene to sell its business to a party other than Bristol-Myers Squibb, or for Bristol-Myers Squibb to sell its business. These provisions include a general prohibition on each party soliciting any acquisition proposal. Further, there are only limited exceptions to each party's agreement that its board of directors will not withdraw or modify in a manner adverse to the other party the recommendation of its board of directors in favor of the adoption of the merger agreement, in the case of Celgene, or the approval of the stock issuance, in the case of Bristol-Myers Squibb, and the other party generally has a right to match any acquisition proposal that may be made. However, at any time prior to the adoption of the merger agreement by Celgene stockholders, in the case of Celgene, or the approval of the stock issuance by Bristol-Myers Squibb stockholders, in the case of Bristol-Myers Squibb, such party's board of directors is permitted to make an adverse recommendation change if it determines in good faith that the failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties under applicable law. In the event that either the Celgene Board or the BMS Board make an adverse recommendation change, then such party may be required to pay a \$2.2 billion termination fee. Bristol-Myers Squibb and Celgene also will be required to pay certain transaction expenses and other costs

incurred in connection with the merger, whether or not the merger is completed, including certain fees and expenses of the other party in connection with the Celgene fee reimbursement or the Bristol-Myers Squibb fee reimbursement, as applicable. See The Merger

43

TABLE OF CONTENTS

Agreement—No Solicitation and The Merger Agreement—Termination Fees and Expenses beginning on pages 185 and 199, respectively, of this joint proxy statement/prospectus.

The parties believe these provisions are reasonable and not preclusive of other offers, but these restrictions might discourage a third party that has an interest in acquiring all or a significant part of either Celgene or Bristol-Myers Squibb from considering or proposing an acquisition proposal, even if that party were prepared to pay consideration with a higher per-share value than the currently proposed merger consideration, in the case of Celgene, or that party were prepared to enter into an agreement that may be favorable to Bristol-Myers Squibb or its stockholders, in the case of Bristol-Myers Squibb. Furthermore, the termination fees described above may result in a potential competing acquirer proposing to pay a lower per-share price to acquire the applicable party than it might otherwise have proposed to pay because of the added expense of the termination fee that may become payable by such party in certain circumstances.

**The shares of Bristol-Myers Squibb common stock to be received by Celgene stockholders upon completion of the merger will have different rights from shares of Celgene common stock.**

Upon completion of the merger, Celgene stockholders will no longer be stockholders of Celgene, but will instead become stockholders of Bristol-Myers Squibb, and their rights as Bristol-Myers Squibb stockholders will be governed by the terms of Bristol-Myers Squibb's amended and restated certificate of incorporation, as it may be amended from time to time, which is referred to in this joint proxy statement/prospectus as Bristol-Myers Squibb's certificate of incorporation, and Bristol-Myers Squibb's amended and restated by-laws, as they may be amended from time to time, which are referred to in this joint proxy statement/prospectus as Bristol-Myers Squibb's by-laws. The terms of Bristol-Myers Squibb's certificate of incorporation and Bristol-Myers Squibb's by-laws are in some respects materially different than the terms of Celgene's certificate of incorporation, as they may be amended from time to time, which is referred to in this joint proxy statement/prospectus as Celgene's certificate of incorporation, and Celgene's amended and restated by-laws, as they may be amended from time to time, which are referred to in this joint proxy statement/prospectus as Celgene's by-laws, which currently govern the rights of Celgene stockholders. See

Comparison of Stockholder Rights beginning on page 225 of this joint proxy statement/prospectus for a discussion of the different rights associated with shares of Celgene common stock and shares of Bristol-Myers Squibb common stock.

**Current Bristol-Myers Squibb stockholders and Celgene stockholders will have a reduced ownership and voting interest after the merger and will exercise less influence over the management of the combined company.**

Upon completion of the merger, Bristol-Myers Squibb expects to issue approximately 701,024,507 shares of Bristol-Myers Squibb common stock to Celgene stockholders in connection with the transactions contemplated by the merger agreement. As a result, it is expected that, immediately after completion of the merger, former Celgene stockholders will own approximately 31% of the outstanding shares of Bristol-Myers Squibb common stock. In addition, shares of Bristol-Myers Squibb common stock may be issued from time to time following the effective time of the merger to holders of Celgene equity awards on the terms set forth in the merger agreement. See The Merger Agreement—Treatment of Celgene Equity Awards beginning on page 174 of this joint proxy statement/prospectus for a more detailed explanation. Consequently, current Bristol-Myers Squibb stockholders in the aggregate will have less influence over the management and policies of Bristol-Myers Squibb than they currently have over the management and policies of Bristol-Myers Squibb, and Celgene stockholders in the aggregate will have significantly less influence over the management and policies of Bristol-Myers Squibb than they currently have over the management and policies of Celgene.

**Bristol-Myers Squibb and Celgene may be targets of transaction related lawsuits which could result in substantial costs and may delay or prevent the merger from being completed. If the merger is completed,**

**Bristol-Myers Squibb will also assume Celgene's risks arising from various legal proceedings.**

Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into merger agreements. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. An adverse judgment could result in monetary damages, which could have a negative impact on Bristol-Myers Squibb's and Celgene's respective liquidity and financial condition. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting completion of the merger, then that injunction may delay or prevent the merger from being completed, which may adversely

## TABLE OF CONTENTS

affect Bristol-Myers Squibb's and Celgene's respective business, financial position and results of operation. See Litigation Relating to the Merger beginning on page 170 of this joint proxy statement/prospectus for more information about litigation related to the merger that has been commenced prior to the date of this joint proxy statement/prospectus. There can be no assurance that additional complaints will not be filed with respect to the merger. Currently, with regard to the merger, Bristol-Myers Squibb and Celgene are not aware of any securities class action lawsuits or derivative lawsuits being filed.

One of the conditions to completion of the merger is the absence of any injunction or order being in effect that prohibits completion of the merger. Accordingly, if a plaintiff is successful in obtaining any injunction or order prohibiting the completion of the merger, then such injunction or order may prevent the merger from being completed, or from being completed within the expected timeframe.

In addition, if Bristol-Myers Squibb completes the merger, it will assume Celgene's risks arising from legal proceedings. Like all pharmaceutical companies, Celgene is involved in various patent, product liability, consumer, commercial, securities, environmental and tax litigations and claims, government investigations and other legal proceedings that arise from time to time in the ordinary course of its business. Bristol-Myers Squibb cannot predict with certainty the eventual outcome of Celgene's pending or future legal proceedings and the ultimate outcome of such matters could be material to the combined company's results of operations, cash flows and financial condition.

**The indebtedness of the combined company following completion of the merger will be substantially greater than Bristol-Myers Squibb's indebtedness on a stand-alone basis and greater than the combined indebtedness of Bristol-Myers Squibb and Celgene existing prior to the announcement of the merger agreement. This increased level of indebtedness could adversely affect the combined company's business flexibility, and increase its borrowing costs. Any resulting downgrades in Bristol-Myers Squibb's and/or Celgene's credit ratings could adversely affect Bristol-Myers Squibb's, Celgene's and/or the combined company's respective businesses, cash flows, financial condition and operating results.**

Bristol-Myers Squibb expects to incur acquisition-related debt financing of approximately \$33.5 billion and assume Celgene's existing indebtedness of approximately \$19.9 billion (as of September 30, 2018). In addition, Celgene stockholders will receive one tradeable CVR for each share of Celgene representing the right to receive \$9.00 in cash, which will entitle the holder to receive a payment upon the potential achievement of future U.S. regulatory milestones. Bristol-Myers Squibb also intends to enter into an accelerated share repurchase agreement to repurchase up to \$5 billion of its common stock following completion of the merger. Bristol-Myers Squibb's substantially increased indebtedness, any potential payments under the CVR and higher debt-to-equity ratio following completion of the merger in comparison to that of Bristol-Myers Squibb prior to the merger will have the effect, among other things, of reducing Bristol-Myers Squibb's flexibility to respond to changing business and economic conditions, will increase Bristol-Myers Squibb's borrowing costs and, to the extent that Bristol-Myers Squibb's new debt is subject to floating interest rates, may increase Bristol-Myers Squibb's vulnerability to fluctuations in market interest rates. In addition, the amount of cash required to service Bristol-Myers Squibb's increased indebtedness levels and thus the demands on Bristol-Myers Squibb's cash resources will be greater than the amount of cash flows required to service the indebtedness of Bristol-Myers Squibb or Celgene individually prior to the merger. The increased levels of indebtedness could also reduce funds available to fund Bristol-Myers Squibb's efforts to combine its business with Celgene and realize expected benefits of the merger and/or engage in investments in product development, capital expenditures, dividend payments, share repurchases and other activities and may create competitive disadvantages for Bristol-Myers Squibb relative to other companies with lower debt levels. Bristol-Myers Squibb may be required to raise additional financing for working capital, capital expenditures, acquisitions or other general corporate purposes. Bristol-Myers Squibb's ability to arrange additional financing or refinancing will depend on, among other factors, Bristol-Myers Squibb's financial position and performance, as well as prevailing market conditions and other factors beyond Bristol-Myers Squibb's control. Bristol-Myers Squibb cannot assure you that it will be able to obtain additional

financing or refinancing on terms acceptable to Bristol-Myers Squibb or at all.

In addition, Bristol-Myers Squibb's credit ratings impact the cost and availability of future borrowings, and, as a result, Bristol-Myers Squibb's cost of capital. Bristol-Myers Squibb's ratings reflect each rating organization's opinion of Bristol-Myers Squibb's financial strength, operating performance and ability to meet Bristol-Myers Squibb's debt obligations or, following completion of the merger, obligations to the combined company's insureds. Each of the ratings organizations reviews Bristol-Myers Squibb's and Celgene's ratings periodically, and

TABLE OF CONTENTS

there can be no assurance that Bristol-Myers Squibb's or Celgene's current ratings will be maintained in the future. Following the announcement of the merger agreement, Moody's placed certain of Bristol-Myers Squibb's debt and other credit ratings under review for a possible downgrade and S&P Global Ratings placed the ratings of Bristol-Myers Squibb on credit watch with negative implications. Downgrades in Bristol-Myers Squibb's and/or Celgene's credit ratings could adversely affect Bristol-Myers Squibb's, Celgene's and/or the combined company's businesses, cash flows, financial condition and operating results. In addition, if the merger is completed and, in certain circumstances, Celgene's debt securities are downgraded and rated below investment grade, this may constitute a change of control triggering event under the indentures governing such debt. Upon the occurrence of a change of control triggering event, Celgene, as the surviving corporation of the merger, would be required to offer to repurchase most of its outstanding notes at 101% of the principal amount thereof plus accrued and unpaid interest if any, to, but not including, the date of repurchase. However, it is possible that Celgene (or Bristol-Myers Squibb) would not have sufficient funds at the time of the change of control triggering event to make the required repurchase of notes or that restrictions in other debt instruments would not allow such repurchases. Bristol-Myers Squibb and Celgene cannot provide any assurance that there will be sufficient funds available for Celgene (or Bristol-Myers Squibb) to make any required repurchases of the notes upon a change of control triggering event.

**Bristol-Myers Squibb may not be able to service all of the combined company's indebtedness and may be forced to take other actions to satisfy Bristol-Myers Squibb's obligations under Bristol-Myers Squibb's indebtedness, which may not be successful. Bristol-Myers Squibb's failure to meet its debt service obligations could have a material adverse effect on the combined company's business, financial condition and results of operations.**

Bristol-Myers Squibb depends on cash on hand and cash flows from operations to make scheduled debt payments. Bristol-Myers Squibb expects to be able to meet the estimated cash interest payments on the combined company's debt following the merger through a combination of the expected cash flows from operations of the combined company. However, Bristol-Myers Squibb's ability to generate sufficient cash flow from operations of the combined company and to utilize other methods to make scheduled payments will depend on a range of economic, competitive and business factors, many of which are outside of Bristol-Myers Squibb's control. There can be no assurance that these sources will be adequate. If Bristol-Myers Squibb is unable to service Bristol-Myers Squibb's indebtedness and fund Bristol-Myers Squibb's operations, Bristol-Myers Squibb will be forced to reduce or delay capital expenditures, seek additional capital, sell assets or refinance Bristol-Myers Squibb's indebtedness. Any such action may not be successful and Bristol-Myers Squibb may be unable to service Bristol-Myers Squibb's indebtedness and fund Bristol-Myers Squibb's operations, which could have a material adverse effect on the combined company's business, financial condition or results of operations.

**Bristol-Myers Squibb will incur significant transaction and integration-related costs in connection with the merger. In addition, the merger may not be accretive, and may be dilutive, to Bristol-Myers Squibb's earnings per share, which may negatively affect the market price of shares of Bristol-Myers Squibb's common stock.**

Bristol-Myers Squibb expects to incur a number of non-recurring costs associated with the merger and combining the operations of the two companies. Bristol-Myers Squibb will incur significant transaction costs related to the merger, including with respect to the financing for the cash consideration to be paid to Celgene stockholders. Bristol-Myers Squibb also will incur significant integration-related fees and costs related to formulating and implementing integration plans, including facilities and systems consolidation costs and employment-related costs. Bristol-Myers Squibb continues to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the merger and the integration of the two companies' businesses. While Bristol-Myers Squibb has assumed that a certain level of transaction expenses will be incurred, factors beyond Bristol-Myers Squibb's control, such as certain of Celgene's expenses, could affect the total amount or the timing of these expenses. Although Bristol-Myers Squibb expects that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow Bristol-Myers Squibb to offset integration-related costs over time, this net

benefit may not be achieved in the near term, or at all.

In addition, future events and conditions could decrease or delay the accretion that is currently projected or could result in dilution, including adverse changes in market conditions, additional transaction and integration-related costs and other factors such as the failure to realize some or all of the anticipated benefits of the merger. Bristol-Myers Squibb plans to enter into an accelerated share repurchase program to repurchase up to \$5 billion

46



## TABLE OF CONTENTS

of its common stock after the completion of the merger. In the event Bristol-Myers Squibb does not consummate such accelerated share repurchase program, stockholders may not realize the incremental accretive benefits associated with such accelerated share repurchase program. Any dilution of, decrease in or delay of any accretion to, Bristol-Myers Squibb's earnings per share could cause the price of shares of Bristol-Myers Squibb common stock to decline or grow at a reduced rate.

Following the closing of the merger, a significant amount of the combined company's total assets will be related to acquired intangible assets and goodwill, which are subject to annual impairment reviews, or more frequent reviews if events or circumstances indicate that the carrying value may not be recoverable. Because of the significance of these assets, any charges for impairment as well as amortization of intangible assets could have a material adverse effect on the combined company's results of operations and financial condition.

**The combined company will be subject to the risks that Celgene faces, in addition to the risks faced by Bristol-Myers Squibb. In particular, the success of the combined company will depend on its ability to obtain, commercialize and protect intellectual property and market exclusivity rights.**

Celgene has a diverse early- and late-stage pipeline that includes five near-term product launch opportunities. The testing, manufacturing and marketing of these products requires regulatory approvals, including approval from the FDA and similar bodies in other countries. The future growth of the combined company would be negatively affected if Bristol-Myers Squibb, Celgene or the combined company fails to obtain requisite regulatory approvals within the expected time frames, or at all, in the United States and internationally for products in development and approvals for Bristol-Myers Squibb's existing products for additional indications.

In addition, many of Celgene's and Bristol-Myers Squibb's drug candidates are in the early or mid-stages of research and development and will require the commitment of substantial financial resources, extensive research, development, preclinical testing, clinical trials, manufacturing scale-up and regulatory approval prior to being ready for sale. This process takes many years of effort without any assurance of ultimate success. If the combined company does not successfully develop and commercialize its pipeline candidates, the combined company's financial position and results of operations could be adversely affected.

Celgene's primary commercial stage products include REVLIMID®, POMALYST®/IMNOVID®, OTEZLA®, ABRAXANE®, VIDAZA®, azacitidine for injection (generic version of VIDAZA®), THALOMID® (sold as THALOMID® or Thalidomide Celgene® outside of the United States) and IDHIFA. Upon the expiration or loss of patent protection for any of these products, or upon the "at-risk" launch (despite pending patent infringement litigation against the generic product) by a manufacturer of a generic version of one of these products, the combined company may quickly lose a significant portion of its sales of that product. Any such expiration or loss of patent protection with respect to REVLIMID® that occurs sooner than anticipated would be harmful to the combined company and could have a material adverse effect on its business, financial condition or results of operations.

**The unaudited pro forma combined financial information and prospective financial information included in this joint proxy statement/prospectus are presented for illustrative purposes only and do not represent the actual financial position or results of operations of the combined company following completion of the merger or reflect the effect of any divestitures that may be required in connection with the merger.**

The unaudited pro forma combined financial information and prospective financial information contained in this joint proxy statement/prospectus is presented for illustrative purposes only, contains a variety of adjustments, assumptions and preliminary estimates and does not represent the actual financial position or results of operations of Bristol-Myers Squibb and Celgene prior to the merger or that of the combined company following the merger for several reasons. Among other things, the unaudited pro forma combined financial information does not reflect the effect of any

potential divestitures that may occur prior to or subsequent to completion of the merger, the projected realization of cost savings following completion of the merger or any changes in applicable law (including applicable tax law) after September 30, 2018. See the sections entitled Certain Unaudited Pro Forma Condensed Combined Financial Statements, Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Certain Unaudited Prospective Financial Information and Comparative Historical and Unaudited Pro Forma Combined Per Share Data beginning on pages 58, 93 and 56, respectively, of this joint proxy statement/prospectus. The actual financial positions and results of operations of Celgene and Bristol-Myers Squibb prior to the merger and that of the combined company following the merger may not be consistent with, or evident from, the unaudited pro forma combined financial

## TABLE OF CONTENTS

information or prospective financial information included in this joint proxy statement/prospectus. In addition, the assumptions used in preparing the unaudited pro forma combined financial information and/or the prospective financial information included in this joint proxy statement/prospectus may not be realized and may be affected by other factors, which could lead to material changes to the combined company's business that are not reflected in the unaudited pro forma combined financial information. Any significant changes in the market price of shares of Bristol-Myers Squibb common stock may cause a significant change in the purchase price used for Bristol-Myers Squibb's accounting purposes and the pro forma combined financial information contained in this joint proxy statement/prospectus.

**The opinions of Celgene's and Bristol-Myers Squibb's respective financial advisors do not reflect changes in circumstances that may have occurred or that may occur between the signing of the merger agreement and the completion of the merger.**

Neither the Celgene Board, nor the BMS Board, has obtained updated opinions from their respective financial advisors as of the date of this joint proxy statement/prospectus, nor do any of them expect to receive updated, revised or reaffirmed opinions prior to the completion of the merger. Changes in the operations and prospects of Celgene or Bristol-Myers Squibb, general market and economic conditions and other factors that may be beyond the control of Celgene or Bristol-Myers Squibb, and on which Celgene's and Bristol-Myers Squibb's financial advisors' opinions were based, may significantly alter the value of Celgene or Bristol-Myers Squibb or the share prices of Celgene common stock or Bristol-Myers Squibb common stock by the time the merger is completed. The opinions do not speak as of the time the merger will be completed or as of any date other than the date of such opinions. Because Celgene's and Bristol-Myers Squibb's financial advisors will not be updating their opinions, the opinions will not address the fairness of the merger consideration from a financial point of view at the time the merger is completed. The Celgene Board's recommendation that Celgene stockholders approve the merger proposal and the BMS Board's recommendation that Bristol-Myers Squibb stockholders approve the share issuance proposal, however, are made as of the date of this joint proxy statement/prospectus. For a description of the opinions that the Celgene Board and the BMS Board received from their respective financial advisors, see [The Merger Agreement—Opinions of Celgene's Financial Advisors](#) and [The Merger Agreement—Opinions of Bristol-Myers Squibb's Financial Advisors](#) beginning on [pages 113 and 132](#), respectively, of this joint proxy statement/prospectus.

**Certain Celgene agreements may contain change of control provisions that may have been triggered by the merger that, if acted upon or not waived, could cause the combined company to lose the benefit of such agreement and incur liabilities or replacement costs, which could have a material adverse effect on the combined company.**

Celgene is party to, or may become party to after the date hereof, various agreements with third parties, including, among other agreements, certain license agreements, collaboration agreements, business development-related agreements, production and distribution related agreements, financing facilities, hedging arrangements, contracts for the performance of services material to the operations of Celgene and/or its affiliates and employment agreements that may contain change of control provisions that may be triggered upon the completion of the merger. Agreements with change of control provisions typically provide for or permit the termination of the agreement upon the occurrence of a change of control of one of the parties which can be waived by the relevant counterparties. In the event that there is such a contract or arrangement requiring a consent or waiver in relation to the merger or the merger agreement, for which such consent or waiver was not obtained, the combined company could lose the benefit of the underlying agreement and incur liabilities or replacement costs, which could have an adverse effect on the operations of the combined company.

**The future results of the combined company may be adversely impacted if the combined company does not effectively manage its expanded operations following completion of the merger.**

Following completion of the merger, the size of the combined company's business will be significantly larger than the current size of either Bristol-Myers Squibb's or Celgene's respective businesses. The combined company's ability to successfully manage this expanded business will depend, in part, upon management's ability to implement an effective integration of the two companies and its ability to manage a combined business with significantly larger size and scope with the associated increased costs and complexity. There can be no assurances that the management of the combined company will be successful or that the combined company will realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the merger.

TABLE OF CONTENTS

**Risks Related to the CVRs**

**You may not receive any payment on the CVRs.**

Your right to receive any future payment on the CVRs will be contingent upon the achievement of certain agreed upon U.S. regulatory milestones within the time periods specified in the CVR agreement. If the CVR milestone, as defined in the section titled Descriptions of the CVRs—Milestone Payment starting on page 216 of this joint proxy statement/prospectus is not achieved for any reason within the time periods specified in the CVR agreement, no payment will be made under the CVRs, and the CVRs will expire valueless. Accordingly, the value, if any, of the CVRs is speculative, and the CVRs may ultimately have no value. See Description of the CVRs beginning on page 216 of this joint proxy statement/prospectus.

**The U.S. federal income tax treatment of the CVRs is unclear.**

Pursuant to the CVR agreement, the parties to the CVR agreement have agreed or will agree, as applicable, to treat and report the receipt of the CVR consideration for all tax purposes as additional consideration for the sale of Celgene common stock in the merger, except as required by applicable law. Assuming this treatment is correct, a later payment with respect to a CVR would likely be treated as a non-taxable return of a U.S. holder's adjusted tax basis in the CVR to the extent thereof. A payment in excess of such amount may be treated as (i) a payment with respect to a sale of a capital asset or (ii) income taxed at ordinary rates. Additionally, a portion of a payment with respect to a CVR may constitute imputed interest under Section 483 of the Internal Revenue Code of 1986, as amended, which is referred to in this joint proxy statement/prospectus as the Code. In accordance with the CVR agreement, Bristol-Myers Squibb has agreed to report imputed interest on the CVRs pursuant to Section 483 of the Code, except as otherwise required by applicable law. However, the U.S. federal income tax treatment of the CVRs is unclear. There is no legal authority directly addressing the U.S. federal income tax treatment of the receipt of, and payments on, the CVRs, and there can be no assurance that the Internal Revenue Service, which is referred to in this joint proxy statement/prospectus as the IRS, would not assert, or that a court would not sustain a contrary position that could result in materially worse U.S. federal income tax consequences to holders. See Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Material U.S. Federal Income Tax Consequences beginning on page 164 of this joint proxy statement/prospectus.

**Any payments in respect of the CVRs are subordinated to the right of payment of Bristol-Myers Squibb's other indebtedness.**

The CVRs are unsecured obligations of Bristol-Myers Squibb and the CVR payments and all other obligations under the CVR agreement, together with the CVRs and any rights or claims relating thereto, are subordinated in right of payment to the prior payment in full of all senior obligations of Bristol-Myers Squibb. Senior obligations of Bristol-Myers Squibb include any existing or future obligations of Bristol-Myers Squibb, including the principal of, premium (if any), interest on, and all other amounts owing thereon with respect to borrowed money; evidenced by notes, debentures, bonds or other similar debt instruments; with respect to the net obligations owed under interest rate swaps or similar agreements or currency exchange transactions; as a result of reimbursement obligations in respect of letters of credit and similar obligations; in respect of capital leases; or as a result of guarantees in respect of obligations referred to above; unless, in any case, the instrument creating or evidencing the foregoing or pursuant to which the foregoing is outstanding provides that such obligations are *pari passu* to or subordinate in right of payment to the CVRs.

Bristol-Myers Squibb's senior obligations do not include CVRs; trade debt incurred in the ordinary course of business; any intercompany indebtedness between Bristol-Myers Squibb and any of its subsidiaries or affiliates; indebtedness of Bristol-Myers Squibb that is subordinated in right of payment to Bristol-Myers Squibb's senior obligations;

indebtedness or other obligations of Bristol-Myers Squibb that by its terms ranks equal or junior in right of payment to the CVR payments and all other obligations under the CVR agreement; indebtedness of Bristol-Myers Squibb that, by operation of applicable law, is subordinate to any general unsecured obligations of Bristol-Myers Squibb; and indebtedness evidenced by any guarantee of indebtedness ranking equal or junior in right of payment to the CVR payments.

## TABLE OF CONTENTS

Upon any distribution to creditors of Bristol-Myers Squibb in liquidation, dissolution, bankruptcy, reorganization, insolvency, receivership or similar proceedings of Bristol-Myers Squibb, holders of senior obligations of Bristol-Myers Squibb (as described above) will be entitled to payment in full in cash of all such obligations prior to any payment being made on the CVRs. In addition, Bristol-Myers Squibb may not make any payment or distribution to any CVR holder of the CVR payments or other obligation under the CVR agreement or acquire from any CVR holder for cash any CVR, or propose the foregoing:

- if any default on any senior obligations exceeding \$25 million in aggregate principal amount would occur as a result of such payment, distribution or acquisition;
- during the continuance of any payment default in respect of any senior obligations (after expiration of any applicable grace period) exceeding \$25 million in aggregate principal amount;
- if the maturity of any senior obligations representing more than \$25 million in aggregate principal amount is accelerated in accordance with its terms and such acceleration has not been rescinded; or following the occurrence of any default (other than a payment default, and after the expiration of any applicable grace period) with respect to any senior obligations with an aggregate principal amount of more than \$25 million, the effect of which is to permit the holders of such senior obligations (or a trustee or agent acting on their behalf) to cause, with the giving of notice if required, the maturity of such senior obligations to be accelerated, for a period commencing upon the receipt by the trustee (with a copy to Celgene) of a written notice of such default from the representative of the holders of such senior obligations and ending when such senior obligations are paid in full in cash or cash equivalents or, if earlier, when such default is cured or waived.

**An active public market for the CVRs may not develop or the CVRs may trade at low volumes, both of which could have an adverse effect on the resale price, if any, of the CVRs.**

The CVRs are a new security for which there is currently no public trading market. An active public trading market for the securities may not develop or be sustained. Bristol-Myers Squibb has agreed to use reasonable best efforts to cause the CVRs to be approved for listing at the completion of the merger on the NYSE or other national securities exchange and maintain such listing for as long as the CVRs remain outstanding. Notwithstanding its efforts, Bristol-Myers Squibb may be unable to cause the CVRs to be listed for trading.

Even if an active public trading market develops, there may be little or no market demand for the CVRs, making it difficult or impossible to resell the CVRs, which would have an adverse effect on the resale price, if any, of the CVRs. Immediately following the completion of the merger, the principal stockholders will hold a majority of the CVRs. In addition, holders of CVRs may incur brokerage charges in connection with the resale of the CVRs, which in some cases could exceed the proceeds realized by the holder from the resale of its CVRs. Neither Bristol-Myers Squibb nor Celgene can predict the price, if any, at which the CVRs will trade following the completion of the merger.

**Because there has not been any public market for the CVRs, the market price and trading volume of the CVRs may be volatile.**

Neither Celgene nor Bristol-Myers Squibb can predict the extent to which investor interest will lead to a liquid trading market in the CVRs or whether the market price of the CVRs will be volatile following the merger. The market price of the CVRs could fluctuate significantly for many reasons, including, without limitation:

- as a result of the risk factors listed in this joint proxy statement/prospectus;
- in the ability of Bristol-Myers Squibb to obtain FDA approval of bb2121, JCAR017 and Ozanimod in a manner that will require the milestone payment to be made;
- for reasons unrelated to operating performance, such as reports by industry analysts, investor perceptions, or negative announcements by our customers or competitors regarding their own performance;

- regulatory changes that could have an impact on Celgene's or Bristol-Myers Squibb's business; and
- general economic, securities markets and industry conditions.



TABLE OF CONTENTS

**Bristol-Myers Squibb's obligation to achieve the CVR milestone is based on diligent efforts, which allows for consideration of a variety of factors to determine the efforts Bristol-Myers Squibb is required to take; accordingly, under certain circumstances Bristol-Myers Squibb may not be required to take certain actions to achieve the CVR milestone, or may allocate resources to other projects, which would have an adverse effect on the value, if any, of the CVRs.**

Bristol-Myers Squibb has agreed to use diligent efforts, until the CVR agreement is terminated, to achieve the CVR milestone. However, the CVR agreement definition of diligent efforts allows for the consideration of a variety of factors in determining the efforts Bristol-Myers Squibb is required to use to obtain the CVR milestone, and it does not require Bristol-Myers Squibb to take all possible actions to achieve those goals.

The CVR agreement defines diligent efforts as, with respect to any product, efforts of a person to carry out its obligations in a diligent manner using such effort and employing such resources normally used by such person in the exercise of its reasonable business discretion relating to the research, development or commercialization of a product, that is of similar market potential at a similar stage in its development or product life, taking into account issues of market exclusivity (including patent coverage, regulatory and other exclusivity), safety and efficacy, product profile (including tolerability and convenience), the competitiveness of alternate products in the marketplace or under development, the launch or sales of one or more generic or biosimilar products, actual or likely pricing/reimbursement for the product, the likely timing of the product's entry into the market, the likelihood of regulatory approval of the product and applicable labeling, and the profitability of the applicable product, and other relevant factors, including technical, commercial, legal, scientific, and/or medical factors, based on conditions then prevailing.

**Risks Related to Bristol-Myers Squibb and Celgene**

Bristol-Myers Squibb and Celgene are, and following completion of the merger Bristol-Myers Squibb will continue to be, subject to the risks described in Part I, Item 1A in Bristol-Myers Squibb's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on February 13, 2018, and Part I, Item 1A in Celgene's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the SEC on February 7, 2018, as updated by their respective Quarterly Reports on Form 10-Q and future filings with the SEC, in each case, incorporated by reference into this joint proxy statement/prospectus. See **Where You Can Find More Information** beginning on page 250 of this joint proxy statement/prospectus.

TABLE OF CONTENTS**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF BRISTOL-MYERS SQUIBB**

The following table presents selected historical consolidated financial data of Bristol-Myers Squibb. The selected historical consolidated financial data of Bristol-Myers Squibb for the fiscal years ended December 31, 2017, 2016 and 2015 and as of December 31, 2017 and 2016 are derived from Bristol-Myers Squibb's audited consolidated financial statements and related notes contained in its Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Bristol-Myers Squibb for each of the fiscal years ended December 31, 2014 and 2013, and as of December 31, 2015, 2014 and 2013, have been derived from Bristol-Myers Squibb's audited consolidated financial statements for such years, which have not been incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Bristol-Myers Squibb as of and for the nine months ended September 30, 2018 and for the nine months ended September 30, 2017, are derived from Bristol-Myers Squibb's unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Bristol-Myers Squibb as of September 30, 2017 are derived from Bristol-Myers Squibb's unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017, which has not been incorporated by reference into this joint proxy statement/prospectus. Bristol-Myers Squibb's management believes that Bristol-Myers Squibb's unaudited consolidated financial statements have been prepared on a basis consistent with its audited financial statements and include all normal and recurring adjustments necessary for a fair presentation of the results for each interim period.

The following selected historical consolidated financial data of Bristol-Myers Squibb set forth below is only a summary and is not necessarily indicative of future results. You should read the following information in conjunction with Bristol-Myers Squibb's audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ended December 31, 2017 and unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, including Management's Discussion and Analysis of Results of Operations and Financial Condition and the notes to Bristol-Myers Squibb's consolidated financial statements for significant events affecting the comparability of results as well as material uncertainties regarding Bristol-Myers Squibb's future financial condition and results of operations in its entirety. See the section entitled Where You Can Find More Information beginning on page 250 of this joint proxy statement/prospectus.

	<b>Nine Months Ended September 30,</b>		<b>Years Ended December 31,</b>				<b>2013</b>
	<b>2018</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	
	<b>(Amounts in millions, except per share data)</b>						
<b>Income Statement Data:</b>							
Total Revenues	\$ 16,588	\$ 15,327	\$ 20,776	\$ 19,427	\$ 16,560	\$ 15,879	\$ 16,385
Net Earnings	3,789	3,304	975	4,507	1,631	2,029	2,580
Net Earnings/(Loss) Attributable to:							
Noncontrolling Interest	29	(31 )	(32 )	50	66	25	17
BMS	3,760	3,335	1,007	4,457	1,565	2,004	2,563
Net Earnings per Common							

Share Attributable to  
BMS:

Basic	\$ 2.30	\$ 2.02	\$ 0.61	\$ 2.67	\$ 0.94	\$ 1.21	\$ 1.56
Diluted	\$ 2.30	\$ 2.02	\$ 0.61	\$ 2.65	\$ 0.93	\$ 1.20	\$ 1.54

Average common shares  
outstanding:

Basic	1,633	1,648	1,645	1,671	1,667	1,657	1,644
Diluted	1,637	1,655	1,652	1,680	1,679	1,670	1,662

Cash dividends paid on  
Bristol-Myers Squibb  
common and preferred  
stock

	\$ 1,960	\$ 1,938	\$ 2,577	\$ 2,547	\$ 2,477	\$ 2,398	\$ 2,309
--	----------	----------	----------	----------	----------	----------	----------

Cash dividends declared  
per common share

	\$ 1.20	\$ 1.17	\$ 1.57	\$ 1.53	\$ 1.49	\$ 1.45	\$ 1.41
--	---------	---------	---------	---------	---------	---------	---------

TABLE OF CONTENTS

	As of September 30,		As of December 31,				
	2018	2017	2017	2016	2015	2014	2013
	(Amounts in millions, except per share data)						
<b>Financial Position Data:</b>							
Cash and cash equivalents	\$ 5,408	\$ 4,644	\$ 5,421	\$ 4,237	\$ 2,385	\$ 5,571	\$ 3,586
Marketable securities <sup>(1)</sup>	3,439	5,004	3,871	4,832	6,545	6,272	4,686
Total Assets	33,734	33,977	33,551	33,707	31,748	33,749	38,592
Long-term debt <sup>(1)</sup>	6,934	6,982	6,975	6,465	6,550	7,242	7,981
Equity	13,750	14,914	11,847	16,347	14,424	14,983	15,236

(1) Includes current and non-current portion.

**TABLE OF CONTENTS****SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF CELGENE**

The following table presents selected historical consolidated financial data of Celgene. The selected historical consolidated financial data of Celgene for each of the years ended December 31, 2017, 2016 and 2015, and as of December 31, 2017 and 2016, are derived from Celgene's audited consolidated financial statements and related notes contained in its Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Celgene for each of the years ended December 31, 2014 and 2013, and as of December 31, 2015, 2014 and 2013, are derived from Celgene's audited consolidated financial statements for such years, which have not been incorporated by reference into this joint proxy statement/prospectus.

The selected historical consolidated financial data of Celgene as of, and for the nine months ended September 30, 2018 and for the nine months ended September 30, 2017, are derived from Celgene's unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, which is incorporated by reference into this joint proxy statement/prospectus. The selected historical consolidated financial data of Celgene as of September 30, 2017 are derived from Celgene's unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2017, which has not been incorporated by reference into this joint proxy statement/prospectus.

The following selected historical consolidated financial data of Celgene set forth below is only a summary and is not necessarily indicative of future results. You should read the following information in conjunction with Celgene's audited consolidated financial statements contained in its Annual Report on Form 10-K for the year ended December 31, 2017 and unaudited consolidated financial statements and related notes contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, including Management's Discussion and Analysis of Results of Operations and Financial Condition and the notes to Celgene's consolidated financial statements for significant events affecting the comparability of results as well as material uncertainties regarding Celgene's future financial condition and results of operations. See the section entitled Where You Can Find More Information beginning on page 250 of this joint proxy statement/prospectus.

	<b>Nine Months Ended</b>			<b>Years Ended December 31,</b>			
	<b>September 30,</b>			<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013<sup>(3)</sup></b>
	<b>2018<sup>(1)</sup></b>	<b>2017</b>	<b>2017<sup>(2)</sup></b>				
<b>(Dollars in millions, except per share amounts)</b>							
<b>Consolidated Statements of Income:</b>							
Total revenue	\$ 11,244	\$ 9,520	\$ 13,003	\$ 11,229	\$ 9,256	\$ 7,670	\$ 6,494
Costs and operating expenses	7,860	6,011	8,296	8,063	7,001	5,151	4,685
Operating income	3,384	3,509	4,707	3,166	2,255	2,519	1,809
Interest and investment income, net	30	72	105	30	31	28	22
Interest (expense)	(551 )	(380 )	(522 )	(500 )	(311 )	(176 )	(92 )
Other income (expense), net	852	(18 )	24	(324 )	48	(44 )	(74 )
Income before income taxes	3,715	3,183	4,314	2,372	2,023	2,327	1,665
Income tax provision	742	162	1,374	373	421	327	215
Net income	\$ 2,973	\$ 3,021	\$ 2,940	\$ 1,999	\$ 1,602	\$ 2,000	\$ 1,450

Edgar Filing: BRISTOL MYERS SQUIBB CO - Form S-4

Net income per share:

Basic	\$ 4.12	\$ 3.87	\$ 3.77	\$ 2.57	\$ 2.02	\$ 2.49	\$ 1.75
Diluted	\$ 4.02	\$ 3.72	\$ 3.64	\$ 2.49	\$ 1.94	\$ 2.39	\$ 1.68

Weighted average shares:

Basic	722.0	781.2	779.2	777.2	792.2	802.7	827.7
Diluted	740.4	812.6	808.7	803.3	824.9	836.0	860.6

54

TABLE OF CONTENTS

	As of September 30,		As of December 31,				2013
	2018	2017	2017	2016	2015	2014	
<b>(Dollars in millions, except per share amounts)</b>							
<b>Consolidated Balance Sheets Data:</b>							
Cash, cash equivalents and marketable securities	\$ 4,378	\$ 11,759	\$ 12,042	\$ 7,970	\$ 6,552	\$ 7,547	\$ 5,687
Total assets <sup>(4)</sup>	34,215	31,736	30,141	28,086	26,964	17,291	13,344
Short-term borrowings and current portion of long-term debt	502	1,400	—	501	—	606	545
Long-term debt, net of discount <sup>(4)</sup>	19,742	12,874	15,838	13,789	14,161	6,217	4,162
Retained earnings	16,486	13,142	13,061	10,074	8,075	6,473	4,473
Total stockholders' equity	4,860	9,850	6,921	6,600	5,919	6,525	5,590

Accounting Standards Update No. 2016-01, Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities was effective for us on January 1, 2018. ASU 2016-01 requires changes in the fair value of equity investments with readily determinable

- (1) fair values and changes in observable prices of equity investments without readily determinable fair values to be recorded in net income. For the nine months ended September 30, 2018, a net gain of \$830 million was recorded in Other income (expense), net. Certain prior year Consolidated Balance Sheet amounts have been reclassified to conform to the current year presentation.

- The Income tax provision for fiscal 2017 includes income tax expense of approximately \$1,269 million as a result of United States tax reform legislation, formally known as the Tax Cuts and Jobs Act (2017 Tax Act), which was enacted on December 22, 2017. In addition, the Income tax provision also includes \$290 million of excess tax
- (2) benefits arising from share-based compensation awards that vested or were exercised during 2017, and are recorded in the income tax provision following the adoption of ASU 2016-09, Compensation-Stock Compensation.

- (3) Adjusted to reflect the two-for-one common stock split effected in June 2014.

- Total assets and Long-term debt, net of discount have been restated as of December 31, 2015, 2014 and 2013 to
- (4) reflect the retroactive reclassification of debt issuance costs in accordance with ASU 2015-03, Simplifying the Presentation of Debt Issuance Costs.

TABLE OF CONTENTS

**COMPARATIVE HISTORICAL AND UNAUDITED  
PRO FORMA COMBINED PER SHARE DATA**

The following table sets forth selected historical and unaudited pro forma combined per share information for Bristol-Myers Squibb and Celgene.

***Historical Per Share of Common Stock Information of Bristol-Myers Squibb and Celgene.*** The historical per share of common stock information of each of Bristol-Myers Squibb and Celgene below is derived from the audited consolidated financial statements of each of Bristol-Myers Squibb and Celgene as of and for the year ended December 31, 2017, and the unaudited consolidated financial statements of each of Bristol-Myers Squibb and Celgene as of and for the nine months ended September 30, 2018.

***Unaudited Pro Forma Combined Per Bristol-Myers Squibb Share of Common Stock Data.*** The Bristol-Myers Squibb unaudited pro forma combined per share of common stock data set forth below gives effect to the merger under the acquisition method of accounting, as if the merger had been effective on January 1, 2017, the first day of Bristol-Myers Squibb's fiscal year ended December 31, 2017, in the case of income from continuing operations per share. The unaudited pro forma combined book value per share of Bristol-Myers Squibb common stock data set forth below gives effect to the merger under the acquisition method of accounting, as if the merger had been effective September 30, 2018, assuming that each outstanding share of Celgene common stock had been converted into shares of Bristol-Myers Squibb common stock based on the exchange ratio.

The acquisition method of accounting is based on Financial Accounting Standards Board, Accounting Standards Codification, which is referred to in this joint proxy statement/prospectus as ASC 805, Business Combinations, which is referred to in this joint proxy statement/prospectus as ASC 805, and uses the fair value concepts defined in ASC 820, Fair Value Measurements, which is referred to in this joint proxy statement/prospectus as ASC 820, which Bristol-Myers Squibb has adopted as required. Acquisition accounting requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date. Fair value measurements recorded in acquisition accounting are dependent upon certain valuation studies of Celgene's assets and liabilities and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. Accordingly, the pro forma adjustments reflect the assets and liabilities of Celgene at their preliminary estimated fair values. Differences between these preliminary estimates and the final values in acquisition accounting will occur, and these differences could have a material impact on the unaudited pro forma combined per share information set forth in the following table.

The unaudited pro forma combined per share of Bristol-Myers Squibb common stock data is presented for illustrative purposes only and does not purport to represent the actual financial position or results of operations that Bristol-Myers Squibb would have achieved had the companies been combined during these periods or to project the future financial position or results of operations that Bristol-Myers Squibb may achieve after completion of the merger.

***Unaudited Pro Forma Combined Per Celgene Equivalent Share Data.*** The Celgene unaudited pro forma combined per equivalent share data set forth below shows the effect of the merger from the perspective of an owner of shares of Celgene common stock. The information was calculated by multiplying the unaudited pro forma combined per share of Bristol-Myers Squibb common stock amounts by the exchange ratio.

***Generally.*** You should read the below information in conjunction with the selected historical consolidated financial data included elsewhere in this joint proxy statement/prospectus and the historical consolidated financial statements of Bristol-Myers Squibb and Celgene and related notes that have been filed with the SEC, certain of which are incorporated by reference into this joint proxy statement/prospectus. See Selected Historical Consolidated Financial Data of Bristol-Myers Squibb, Selected Historical Consolidated Financial Data of Celgene and Where You Can Find



More Information beginning on pages 52, 54 and 250, respectively, of this joint proxy statement/prospectus. The unaudited pro forma combined per share of Bristol-Myers Squibb common stock data and the unaudited pro forma combined per Celgene equivalent share data is derived from, and should be read in conjunction with, the Bristol-Myers Squibb and Celgene unaudited pro forma condensed combined financial statements and related notes included in this joint proxy statement/prospectus. See Certain Unaudited Pro Forma Condensed Combined Financial Statements beginning on page 58 of this joint proxy statement/prospectus.

TABLE OF CONTENTS

	<b>As of/For the Nine Months Ended September 30, 2018</b>	<b>As of/For the Year Ended December 31, 2017</b>
Bristol-Myers Squibb Historical per Common Share Data:		
Net Earnings/(Loss) – basic	\$ 2.30	\$ 0.61
Net Earnings/(Loss) – diluted	2.30	0.61
Cash dividends declared	1.20	1.57
Book Value <sup>(1)</sup>	8.36	7.19
Celgene Historical per Common Share Data:		
Net Earnings – basic	\$ 4.12	\$ 3.77
Net Earnings – diluted	4.02	3.64
Cash dividends declared	—	—
Book Value <sup>(1)</sup>	6.95	9.11
Unaudited Pro Forma Combined per Bristol-Myers Squibb Common Share Data:		
Net Earnings/(Loss) – basic	\$ 0.46	\$ (1.17 )
Net Earnings/(Loss) – diluted	0.45	(1.17 )
Cash dividends declared <sup>(2)</sup>	N/A	N/A
Book Value <sup>(1)</sup>	21.16	N/A
Unaudited Pro Forma Combined per Celgene Equivalent Share Data:		
Net Earnings/(Loss) – basic <sup>(3)</sup>	\$ 0.46	\$ (1.17 )
Net Earnings/(Loss) – diluted <sup>(3)</sup>	0.45	(1.17 )
Cash dividends declared <sup>(2)</sup>	N/A	N/A
Book Value <sup>(3)</sup>	21.16	N/A

Amounts calculated by dividing the applicable total stockholders' equity by the applicable shares of common (1) stock outstanding. Pro forma combined book value per share as of December 31, 2017 is not applicable as the estimated pro forma adjustments were calculated as of September 30, 2018.

(2) Pro forma combined dividends per share data is not provided due to the fact that the dividend policy for the combined company will be determined by the BMS Board following completion of the merger.

(3) Amounts calculated by multiplying unaudited pro forma combined per share amounts by the exchange ratio.

TABLE OF CONTENTS

**CERTAIN UNAUDITED PRO FORMA CONDENSED  
COMBINED FINANCIAL STATEMENTS**

The following unaudited pro forma condensed combined financial information is presented to illustrate the estimated effects of:

- the proposed merger of Bristol-Myers Squibb and Celgene contemplated by the merger agreement, which is referred to in this section as the Celgene merger, and related financing, which is referred to in this section as the Celgene merger financing; and
- the acquisition of Juno Therapeutics, Inc., which is referred to in this joint proxy statement/prospectus as Juno, by Celgene on March 6, 2018, which is referred to in this section as the Juno acquisition, and related financing, which is referred to in this section as the Juno acquisition financing. Each as fully described in Note 1. Description of the Celgene merger and Juno acquisition.

The unaudited pro forma condensed combined statements of earnings for the year ended December 31, 2017 and for the nine months ended September 30, 2018 combine the historical consolidated statements of earnings of Bristol-Myers Squibb, Celgene and Juno, giving effect to (1) the Celgene merger, (2) the Celgene merger financing, (3) the Juno acquisition and (4) the Juno acquisition financing, as if each occurred on January 1, 2017. The unaudited pro forma condensed combined balance sheet as of September 30, 2018 combines the historical consolidated balance sheets of Bristol-Myers Squibb and Celgene, giving effect to the Celgene merger and Celgene merger financing as if each had occurred on September 30, 2018. The Juno historical balance sheet is not included as it is already included in the Celgene historical consolidated balance sheet as of September 30, 2018. The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the Celgene merger and the Juno acquisition, (2) factually supportable and (3) with respect to the unaudited pro forma condensed combined statements of earnings, expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial information should be read in conjunction with the accompanying notes to the unaudited pro forma condensed combined financial statements. In addition, the unaudited pro forma condensed combined financial information has been derived from and should be read in conjunction with the following historical consolidated financial statements and notes incorporated by reference into this joint proxy statement/prospectus: (a) the audited historical consolidated financial statements of Bristol-Myers Squibb contained in its Annual Report on Form 10-K for the year ended December 31, 2017; (b) the audited consolidated financial statements of Celgene contained in its Annual Report on Form 10-K for the year ended December 31, 2017; (c) the consolidated financial statements of Juno Therapeutics, Inc. as of December 31, 2017 and 2016, and for each of the three years in the period ended December 31, 2017 included in Amendment No. 1 to the Current Report on Form 8-K/A of Celgene Corporation filed with the SEC on May 18, 2018; (d) the unaudited consolidated financial statements of Bristol-Myers Squibb contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018; and (e) the unaudited consolidated financial statements of Celgene contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018. Refer to the section of this joint proxy statement/prospectus titled *Where You Can Find More Information* for instructions on how to obtain these documents.

The unaudited pro forma condensed combined financial statements have been prepared by management in accordance with Article 11, Pro Forma Financial Information, under Regulation S-X of the Exchange Act, and is for illustrative and informational purposes only. The unaudited pro forma condensed combined financial information is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the Celgene merger, Celgene merger financing, Juno acquisition and Juno acquisition financing been consummated as of the dates indicated. In addition, the unaudited pro forma condensed combined financial statements do not purport to project the future financial position or operating results of the combined company. There were no material transactions between Bristol-Myers Squibb and Celgene or between Bristol-Myers Squibb and Juno during

the periods presented in the unaudited pro forma condensed combined financial statements that would need to be eliminated. There were certain transactions between Celgene and Juno during the periods presented in the unaudited pro forma condensed combined financial statements that were eliminated.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting under U.S. generally accepted accounting principles, which is referred to in this joint

TABLE OF CONTENTS

proxy statement/prospectus as GAAP, with Bristol-Myers Squibb being the accounting acquirer in the proposed merger of Bristol-Myers Squibb and Celgene, and Celgene being the accounting acquirer in Celgene's acquisition of Juno. As of the date of this joint proxy statement/prospectus, Bristol-Myers Squibb has not completed the detailed valuation studies necessary to arrive at the final estimates of the fair market value of the Celgene assets to be acquired and the liabilities to be assumed and the related allocations of purchase price, nor has it identified any adjustments necessary to conform Celgene to Bristol-Myers Squibb's accounting policies except for the ones described in the accompanying notes. The acquisition method of accounting is dependent upon certain valuations that are provisional and subject to change. Accordingly, the pro forma adjustments in the unaudited pro forma condensed combined financial information are preliminary, based upon available information and made solely for the purpose of providing these unaudited pro forma condensed combined financial statements. Actual results will differ from the unaudited pro forma condensed combined financial information once the final acquisition accounting by Bristol-Myers Squibb has been completed and Bristol-Myers Squibb has determined the final purchase price for Celgene and has completed the valuation studies necessary to finalize the required purchase price allocations and if Bristol-Myers Squibb identifies any additional necessary conforming accounting policy changes outside of the ones provided in the accompanying notes. There can be no assurance that such finalization will not result in material changes.

The unaudited pro forma condensed combined financial information does not reflect any expected cost savings, operating synergies or revenue enhancements that the combined company may achieve as a result of the Celgene merger, any termination, restructuring or other costs to integrate the operations of Bristol-Myers Squibb and Celgene or the costs necessary to achieve any such cost savings, operating synergies or revenue enhancements.

TABLE OF CONTENTS

**UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET  
AS OF SEPTEMBER 30, 2018  
(dollars in millions)**

	Historical				Celgene merger financing adjustments		Pro forma combined company
	Bristol- Myers Squibb	Celgene after reclassification (Note 4)	Celgene merger adjustments (Note 6)	Notes	(Note 6)	Notes	
<b>ASSETS</b>							
Current Assets:							
Cash and cash equivalents	\$ 5,408	\$ 2,480	\$ (35,415 )	(a),(i),(j)	\$ 32,632	(l),(m)	\$ 5,105
Marketable securities	1,422	1,898	—		—		3,320
Receivables	5,871	2,120	—		—		7,991
Inventories	1,282	510	2,950	(f)	—		4,742
Prepaid expenses and other	886	819	—		—		1,705
Total Current Assets	14,869	7,827	(32,465 )		32,632		22,862
Property, plant and equipment	5,092	1,313	—		—		6,405
Goodwill	6,686	8,004	15,774		—		30,464
Other intangible assets	1,107	16,342	65,638	(e)	—		83,087
Deferred income taxes	1,627	—	530	(h),(i),(j)	129	(m)	2,287
Marketable securities	2,017	—	—		—		2,017
Other assets	2,336	729	(4 )	(g)	—		3,061
Total Assets	\$ 33,734	\$ 34,215	\$ 49,473		\$ 32,761		\$ 150,183
<b>LIABILITIES</b>							
Current Liabilities:							
Short-term debt obligations	\$ 1,620	\$ 502	\$ (4 )	(g)	\$ 26,216	(l),(m)	\$ 28,334
Accounts payable	1,773	292	—		—		2,065
Accrued liabilities	5,853	2,705	—		—		8,558
Deferred income	93	79	—		—		172
Income taxes payable	355	105	—		—		460
Total Current Liabilities	9,694	3,683	(4 )		26,216		39,589
Deferred income	486	74	—		—		560
Income taxes payable	3,112	2,451	—		—		5,563
Deferred income taxes	—	2,811	15,879	(h)	—		18,690

Pension and other liabilities	1,005	594	2,757	(c)	—	4,356
Long-term debt	5,687	19,742	(424 )	(g)	6,990 (l),(m)	31,995
Total Liabilities	\$ 19,984	\$ 29,355	\$ 18,209		\$ 33,206	\$ 100,753

**EQUITY**

## Shareholders' Equity:

Preferred stock	—	—	—		—	—
Common stock	221	10	60	(b),(k)	—	291
Capital in excess of par value of stock	2,029	14,756	21,511	(b),(d),(k)	—	38,296
Accumulated other comprehensive loss	(2,326 )	(77 )	77	(k)	—	(2,326 )
Retained earnings	33,292	16,486	(16,698 )	(i),(j),(k)	(445 ) (m)	32,635
Less cost of treasury stock	(19,576 )	(26,315 )	26,315	(k)	—	(19,576 )
Total Shareholders' Equity	13,640	4,860	31,264		(445 )	49,319
Noncontrolling interest	110	—	—		—	110
Total Equity	13,750	4,860	31,264		(445 )	49,429
Total Liabilities and Equity	\$ 33,734	\$ 34,215	\$ 49,473		\$ 32,761	\$ 150,183

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements. Amounts may not add due to rounding.

TABLE OF CONTENTS

**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF EARNINGS/(LOSS)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018**  
(dollars in millions, except share and per share amounts)

	Historical		Juno acquisition and financing adjustments		Pro forma Celgene and Juno	Celgene merger adjustments		Celgene merger financing adjustments		Pro forma combined company
	Bristol-Myers Squibb	Celgene after reclassification (Note 4)	Juno after adjustments and reclassification (Note 8)	financing adjustments (Note 10)	Notes	(Note 7)	Notes	(Note 7)	Notes	
Net product sales	\$ 15,866	\$ 11,258	\$ —	\$ —	\$ 11,258	\$ —		\$ —		\$ 27,124
Alliance and other revenues	722	15	28	(18 )	(a) 25	—		—		747
Total Revenues	16,588	11,273	28	(18 )	11,283	—		—		27,871
Cost of products sold	4,857	685	—	—	685	6,113	(b)	—		11,655
Marketing, selling and administrative	3,215	2,400	29	(196 )	(c) 2,233	—		—		5,448
Research and development	4,965	4,638	79	(290 )	(a),(b),(c) 4,427	(115 )	(b)	—		9,277
Other (income)/expense, net	(912 )	(165 )	82	304 )	(d),(e),(f) 221	66	(c),(d),(e)	1,197	(h)	572
Total Expenses	12,125	7,558	190	(182 )	7,566	6,064		1,197		26,952
Earnings/(Loss) Before Income Taxes	4,463	3,715	(162 )	164	3,717	(6,064 )		(1,197 )		919
Provision for income taxes	674	742	—	28	(g) 770	(1,364 )	(f)	(269 )	(i)	(190 )
Net Earnings/(Loss)	3,789	2,973	(162 )	136	2,947	(4,700 )		(928 )		1,109
Noncontrolling Interest	29	—	—	—	—	—		—		29
Net Earnings/(Loss) Attributable to Controlling Interests	\$ 3,760	\$ 2,973	\$ (162 )	\$ 136	\$ 2,947	\$ (4,700 )		\$ (928 )		\$ 1,080



Earnings per  
Common Share:

Basic	\$ 2.30	\$ 4.12	\$ 0.46	(g)
Diluted	\$ 2.30	\$ 4.02	\$ 0.45	(g)

Weighted Average  
Shares:

Basic	1,633	722	2,332	(g)
Diluted	1,637	740	2,373	(g)

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.  
Amounts may not add due to rounding.

TABLE OF CONTENTS

**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF EARNINGS/(LOSS)  
FOR THE YEAR ENDED DECEMBER 31, 2017**  
(dollars in millions, except share and per share amounts)

	Historical		Juno acquisition and financing adjustments (Note 10) Notes		Pro forma Celgene and Juno	Celgene merger adjustments (Note 7) Notes	Celgene merger financing adjustments (Note 7) Notes	Pro forma combined company
	Bristol-Myers Squibb	Celgene after reclassification (Note 4)	Juno after classification (Note 8)					
Net product sales	\$ 19,258	\$ 12,792	\$ —	\$ —	\$ 12,792	\$ —	\$ —	\$ 32,050
Alliance and other revenues	1,518	30	112	(86 ) (a)	56	—	—	1,574
Total Revenues	20,776	12,822	112	(86 )	12,848	—	—	33,624
Cost of products sold	6,066	526	—	—	526	8,336 (a),(b)	—	14,928
Marketing, selling and administrative	4,687	2,941	108	—	3,049	—	—	7,736
Research and development	6,411	5,998	383	32 (a),(b)	6,413	(160 ) (b)	—	12,664
Other (income)/expense, net	(1,519 )	(957 )	64	178 (d),(e)	(715 )	67 (c),(d),(e)	1,500 (h)	(666 )
Total Expenses	15,645	8,508	555	210	9,273	8,243	1,500	34,662
Earnings/(Loss) Before Income Taxes	5,131	4,314	(443 )	(296 )	3,575	(8,243 )	(1,500 )	(1,038 )
Provision for income taxes	4,156	1,374	(6 )	(281 ) (g)	1,087	(2,967 ) (f)	(548 ) (i)	1,729
Net Earnings/(Loss)	975	2,940	(437 )	(15 )	2,488	(5,276 )	(953 )	(2,766 )
Noncontrolling Interest	(32 )	—	—	—	—	—	—	(32 )
Net Earnings/(Loss) Attributable to Controlling Interests	\$ 1,007	\$ 2,940	\$ (437 )	\$ (15 )	\$ 2,488	\$ (5,276 )	\$ (953 )	\$ (2,734 )

Earnings per  
Common Share:

Basic	\$ 0.61	\$ 3.77	\$ (1.17 ) (g)
Diluted	\$ 0.61	\$ 3.64	\$ (1.17 ) (g)

Weighted Average  
Shares:

Basic	1,645	779	2,344 (g)
Diluted	1,652	809	2,344 (g)

The accompanying notes are an integral part of these unaudited pro forma condensed combined financial statements.  
Amounts may not add due to rounding.

TABLE OF CONTENTS

**NOTES TO THE UNAUDITED PRO FORMA CONDENSED  
COMBINED FINANCIAL STATEMENTS**

(dollars in millions, except share and per share amounts)

**1. Description of the Celgene merger and Juno acquisition**

*Proposed merger with Celgene*

On January 2, 2019, Bristol-Myers Squibb entered into a definitive merger agreement under which Bristol-Myers Squibb will acquire Celgene. Under the terms of the merger agreement, Celgene stockholders, other than holders of excluded stock and dissenting stock, will receive one share of Bristol-Myers Squibb common stock and \$50.00 in cash in exchange for each share of Celgene common stock exchanged in the transaction, as well as one CVR, which will entitle the holder to receive a one-time potential payment of \$9.00 in cash upon FDA approval of all three of (1) Ozanimod (by December 31, 2020), (2) JCAR017 (by December 31, 2020) and (3) bb2121 (by March 31, 2021), in each case for a specified indication.

Based on the closing price of Bristol-Myers Squibb common stock of \$52.43 on January 2, 2019, the last trading day before the public announcement of the proposed Celgene merger, the upfront consideration represented approximately \$102.43 in value for each share of Celgene common stock (without considering any potential CVR payout).

The transaction is subject to approval by Bristol-Myers Squibb and Celgene stockholders and the satisfaction of customary closing conditions and regulatory approvals. Bristol-Myers Squibb and Celgene expect to complete the transaction in the third quarter of 2019.

*Juno acquisition*

On March 6, 2018, Celgene acquired all of the outstanding shares of Juno, resulting in Juno becoming Celgene's wholly-owned subsidiary. Total consideration for the acquisition was approximately \$10.4 billion, consisting of \$9.1 billion for common stock outstanding, \$966 million for the fair value of Celgene's pre-existing investment in Juno and \$367 million for the portion of equity compensation attributable to the pre-combination service period.

**2. Basis of presentation**

The unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting and was based on the historical financial statements of Bristol-Myers Squibb, Celgene and Juno. Certain reclassifications have been made to the historical financial statements of Celgene and Juno to conform to Bristol-Myers Squibb's presentation, which are discussed in more detail in Note 4. Historical Celgene and Note 8. Historical Juno.

The acquisition method of accounting is based on ASC 805, Business Combinations, and uses the fair value concepts as defined in ASC 820, Fair Value Measurement.

ASC 805 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the acquisition date and that the fair value of in-process research and development, which is referred to in this joint proxy statement/prospectus as IPR&D, be recorded on the balance sheet regardless of the likelihood of success as of the acquisition date. In addition, ASC 805 establishes that the consideration transferred be measured at the closing date of the acquisition at the then-current market price; this particular requirement will likely result in a per share equity component that is different from the amount assumed in these unaudited pro forma condensed combined financial statements, and that difference may be material.

ASC 820 defines the term fair value and sets forth the valuation requirements for any asset or liability measured at fair value. Fair value is defined in ASC 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, Bristol-Myers Squibb may be required to record assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect Bristol-Myers Squibb's intended use of those

TABLE OF CONTENTS

assets. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under ASC 805, acquisition-related transaction costs are not included as a component of consideration transferred but are accounted for as expenses in the period in which the costs are incurred. Total combination related transaction costs (excluding financing fees) in connection with the Celgene merger are estimated to be approximately \$425 million. As there is no continuing impact, the impact of these costs is not included in the unaudited pro forma condensed combined statements of earnings. These anticipated combination related transaction costs are reflected in the unaudited pro forma condensed combined balance sheet as a reduction to cash and (a) retained earnings for transaction costs expected to be incurred by Bristol-Myers Squibb and (b) a corresponding reduction of the historical book value of net assets for transaction costs expected to be incurred by Celgene. No combination related transaction costs in connection with the Celgene merger were incurred by either Bristol-Myers Squibb or Celgene during the periods presented in the unaudited pro forma condensed combined financial statements.

### 3. Accounting policies

The unaudited pro forma condensed combined financial statements do not assume any differences in accounting policies, except as described below, as Bristol-Myers Squibb is not aware of any differences that would have a material impact on the unaudited pro forma condensed combined financial statements. Further review of Celgene's detailed accounting policies following the consummation of the combination may identify additional differences between the accounting policies of the two companies that, when conformed, could have a material impact on the financial statements of the combined company. Certain reclassifications have been made to the historical financial statements of Celgene and Juno to conform to Bristol-Myers Squibb's presentation, which are discussed in more detail in Note 4. Historical Celgene and Note 8. Historical Juno.

Celgene adopted Accounting Standards Update No. 2017-12 – Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities effective January 1, 2017, and Bristol-Myers Squibb adopted this guidance effective January 1, 2018. The impact of adoption resulted in an increase of \$115 million to Celgene's pre-tax and net income for the year ended December 31, 2017. The unaudited pro forma condensed combined statement of earnings reflects an adjustment to remove the impact of the adoption for the year ended December 31, 2017 in order to conform with Bristol-Myers Squibb's adoption effective January 1, 2018. Refer to Note 7. Pro forma adjustments to the unaudited pro forma condensed combined statements of earnings in connection with the Celgene merger for more information.

TABLE OF CONTENTS**4. Historical Celgene**

Certain reclassifications have been made to the historical financial statements of Celgene to conform to Bristol-Myers Squibb's presentation as follows:

*Unaudited pro forma condensed combined balance sheet as of September 30, 2018*

	Celgene before reclassification	Reclassification	Notes	Celgene after reclassification
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 2,480	\$ —		\$ 2,480
Debt securities available-for-sale	66	(66 )	(1)	—
Equity investments with readily determinable fair values	1,832	(1,832 )	(1)	—
Marketable securities	—	1,898	(1)	1,898
Receivables	2,120	—		2,120
Inventories	510	—		510
Prepaid expenses and other	819	—		819
Total Current Assets	7,827	—		7,827
Property, plant and equipment	1,313	—		1,313
Goodwill	8,004	—		8,004
Other intangible assets	16,342	—		16,342
Deferred income taxes	—	—		—
Marketable securities	—	—		—
Other assets	729	—		729
Total Assets	\$ 34,215	\$ —		\$ 34,215
<b>LIABILITIES</b>				
Current Liabilities:				
Short-term debt obligations	\$ 502	\$ —		\$ 502
Accounts payable	292	—		292
Accrued liabilities	2,705	—		2,705
Deferred income	79	—		79
Income taxes payable	105	—		105
Total Current Liabilities	3,683	—		3,683
Deferred income	74	—		74
Income taxes payable	2,451	—		2,451
Deferred income taxes	2,811	—		2,811
Pension and other liabilities	594	—		594
Long-term debt	19,742	—		19,742
Total Liabilities	\$ 29,355	\$ —		\$ 29,355

**EQUITY**

## Shareholders' Equity:

Preferred stock	—	—	—
Common stock	10	—	10
Capital in excess of par value of stock	14,756	—	14,756
Accumulated other comprehensive loss	(77 )	—	(77 )
Retained earnings	16,486	—	16,486
Less cost of treasury stock	(26,315 )	—	(26,315 )
Total Shareholders' Equity	4,860	—	4,860
Noncontrolling interest	—	—	—
Total Equity	4,860	—	4,860
Total Liabilities and Equity	\$ 34,215	\$ —	\$ 34,215

(1) Reclassification of Debt securities available-for-sale (\$66 million) and Equity investments with readily determinable fair values (\$1,832 million) to Marketable securities.



TABLE OF CONTENTS**Unaudited pro forma condensed combined statement of earnings for the nine-month period ended September 30, 2018**

	Celgene before reclassification	Reclassification	Notes	Celgene after reclassification
Net product sales	\$ 11,229	\$ 29	(1)	\$ 11,258
Alliance and other revenues	15	—		15
Total Revenues	11,244	29		11,273
Cost of products sold	418	267	(1),(2)	685
Marketing, selling and administrative	2,400	—		2,400
Research and development	4,535	103	(2)	4,638
Amortization of acquired intangible assets	341	(341 )	(2)	—
Acquisition related charges and restructuring, net	166	(166 )	(3)	—
Interest and investment income, net	(30 )	30	(3)	—
Interest expense	551	(551 )	(3)	—
Other (income)/expense, net	(852 )	687	(3)	(165 )
Total Expenses	7,529	29		7,558
Earnings/(Loss) Before Income Taxes	3,715	—		3,715
Provision for income taxes	742	—		742
Net Earnings/(Loss)	2,973	—		2,973
Noncontrolling Interest	—	—		—
Net Earnings/(Loss) Attributable to Controlling Interests	\$ 2,973	\$ —		\$ 2,973

(1) Reclassification of loss on foreign currency cash flow hedges (\$29 million) from Net product sales to Cost of products sold.

(2) Reclassification of Amortization of acquired intangible assets to Cost of products sold (\$238 million) and to Research and development (\$103 million).

(3) Reclassification of Acquisition related charges and restructuring, net (\$166 million), Interest and investment income, net (\$30 million), and Interest expense (\$551 million) to Other (income)/expense, net.

**Unaudited pro forma condensed combined statement of earnings for the year ended December 31, 2017**

	Celgene before reclassification	Reclassification	Notes	Celgene after reclassification
Net product sales	\$ 12,973	\$ (181 )	(1)	\$ 12,792
Alliance and other revenues	30	—		30
Total Revenues	13,003	(181 )		12,822
Cost of products sold	461	65	(1),(2)	526
Marketing, selling and administrative	2,941	—		2,941
Research and development	5,915	83	(2)	5,998

Edgar Filing: BRISTOL MYERS SQUIBB CO - Form S-4

Amortization of acquired intangible assets	329	(329 )	(2)	—
Acquisition related charges and restructuring, net	(1,350 )	1,350	(3)	—
Interest and investment income, net	(105 )	105	(3)	—
Interest expense	522	(522 )	(3)	—
Other (income)/expense, net	(24 )	(933 )	(3)	(957 )
Total Expenses	8,689	(181 )		8,508
Earnings/(Loss) Before Income Taxes	4,314	—		4,314
Provision for income taxes	1,374	—		1,374
Net Earnings/(Loss)	2,940	—		2,940
Noncontrolling Interest	—	—		—
Net Earnings/(Loss) Attributable to Controlling Interests	\$ 2,940	\$ —		\$ 2,940

(1) Reclassification of gain on foreign currency cash flow hedges (\$181 million) from Net product sales to Cost of products sold.

TABLE OF CONTENTS

- (2) Reclassification of Amortization of acquired intangible assets to Cost of products sold (\$246 million) and to Research and development (\$83 million).
- (3) Reclassification of Acquisition related charges and restructuring, net (\$1,350 million), Interest and investment income, net (\$105 million), and Interest expense (\$522 million) to Other (income)/expense, net.

**5. Estimate of consideration expected to be transferred in the Celgene merger and preliminary purchase price allocation**

The following is a preliminary estimate of the consideration expected to be transferred to effect the proposed merger with Celgene:

Celgene shares outstanding at September 30, 2018 (millions)	698.9
Cash per share	\$ 50.00
Cash consideration for outstanding shares	\$ 34,945

Celgene shares outstanding at September 30, 2018 (millions)	698.9
Exchange ratio	1.00
Equivalent Bristol-Myers Squibb shares (millions)	698.9
Closing price of Bristol-Myers Squibb common stock on January 24, 2019	\$ 49.02
Estimated fair value of share consideration	\$ 34,260

Celgene shares outstanding at September 30, 2018 (millions)	698.9
Exchange ratio	1.00
Equivalent CVRs (millions)	698.9
Estimated CVR fair value per share	\$ 3.75
Estimated fair value of CVRs	\$ 2,621

Estimated fair value of replacement options	\$ 1,644
Estimated fair value of replacement restricted share awards	\$ 432
Estimated fair value of CVRs issued to option and share award holders	\$ 136
Estimated fair value of share-based compensation awards attributable to pre-combination service	\$ 2,212

Estimated fair value of total consideration to be transferred	\$ 74,038
---	-----------

The preliminary estimate of consideration expected to be transferred reflected in these unaudited pro forma condensed combined financial statements does not purport to represent what the actual consideration transferred will be when the Celgene merger is completed. For purposes of these unaudited pro forma condensed combined financial statements, the market price per share of Bristol-Myers Squibb common stock on January 24, 2019 and the Celgene shares of common stock and share-based compensation awards outstanding as of September 30, 2018 were used to calculate the estimate of consideration expected to be transferred. However, the fair value of equity securities issued as the consideration transferred will be measured using the market price per share of Bristol-Myers Squibb common stock on the closing date. Assuming a 10% change in the closing price per share of the Bristol-Myers Squibb common stock, the estimated fair value of share consideration transferred would increase or decrease by approximately \$3.4 billion, which would be reflected in these unaudited pro forma condensed combined financial statements as an increase or decrease to goodwill.

The preliminary estimate of the fair value of the CVRs was determined by applying a probability weighting to the potential \$9.00 per share payment reflecting the probability of achieving all three necessary approvals. The probability-weighted value was then discounted to present value using a credit risk-adjusted discount rate.

The preliminary estimate of the fair value of share-based compensation awards relates to certain options to purchase shares of Celgene common stock that will be converted into Bristol-Myers Squibb options to purchase shares of Bristol-Myers Squibb common stock and Celgene restricted share awards and performance-based restricted share awards, collectively referred to in this joint proxy statement/prospectus as the share awards, that

TABLE OF CONTENTS

will be converted into Bristol-Myers Squibb restricted share awards. Celgene performance-based restricted share awards with respect to shares of Celgene common stock will be converted into Bristol-Myers Squibb restricted share awards based on a pro rata performance measure to target. Additionally, holders of certain Celgene options to purchase Celgene common stock and share awards with respect to shares of Celgene common stock will also receive CVRs based on terms specified in the merger agreement. The fair value of the Bristol-Myers Squibb options, restricted share awards and CVRs attributable to pre-combination service will be recognized as part of the purchase consideration transferred.

The number of Bristol-Myers Squibb shares issued to holders of Celgene common stock and replacement share-based compensation awards is dependent on the number of Celgene shares of common stock, options to purchase shares of Celgene common stock and share awards with respect to shares of Celgene common stock outstanding on the closing date of the merger.

The following is a preliminary estimate of the assets to be acquired and liabilities to be assumed by Bristol-Myers Squibb in the Celgene merger, reconciled to the estimate of consideration expected to be transferred:

Cash and cash equivalents		\$ 2,255
Marketable securities		1,898
Receivables		2,120
Inventories	(a)	3,460
Prepaid expenses and other		819
Property, plant and equipment	(b)	1,313
Other intangible assets	(c)	81,980
Other assets		725
Accounts payable and accrued liabilities		(3,076 )
Income taxes		(2,556 )
Deferred income taxes	(d)	(18,194 )
Other liabilities		(668 )
Debt	(e)	(19,816 )
Goodwill	(f)	23,778
Estimate of consideration expected to be transferred		\$ 74,038

A preliminary fair value estimate of \$3,460 million has been assigned to inventories to be acquired. The pro forma fair value adjustment to inventories is based on the book value of Celgene's inventories as of September 30, 2018, adjusted as follows:

- Finished goods are valued at the estimated selling prices less the sum of the costs of disposal and a reasonable profit margin for the selling effort;
- Work in process is valued at the estimated selling prices upon completion less the sum of costs to complete the manufacturing of the relevant product, costs of disposal and a reasonable profit margin for the completion and selling effort; and
- Raw materials are valued at estimated current replacement costs.

Assumptions as to the estimated selling prices, the margins to be achieved, the level of remaining completion and selling effort and the profits associated with the completion and selling efforts have been made by Bristol-Myers Squibb in determining the fair value estimate of Celgene's inventories for purposes of these unaudited pro forma condensed combined financial statements.

- A preliminary fair value estimate of \$1,313 million, equivalent to the current net book value, has been assigned to property, plant and equipment to be acquired, primarily consisting of buildings, machinery and equipment, computer software and equipment and construction in progress. At the date of consummation of the combination,
- (b) property, plant and equipment is required to be measured at fair value, unless those assets are classified as held-for-sale on the closing date of the combination. Bristol-Myers Squibb has only limited information at this time as to the specific nature, age, condition or location of the buildings, machinery and equipment, computer software and equipment and construction-in-progress. All of these factors can cause differences between the fair value and current net book value, and such differences could be material.
- (c) A preliminary fair value estimate of \$81,980 million has been assigned to identifiable intangible assets acquired, consisting of currently marketed product rights and IPR&D.

The fair value of identifiable intangible assets is determined using an income-based method referred to as the multi-period excess earnings method. The more significant assumptions inherent in the application of this method include: the amount and timing of projected future cash flows (including revenue, cost of sales, research and development costs, sales and marketing expenses, and income taxes), the level of and return for other assets that contribute to the subject assets' ability to generate cash flows, and the discount rate selected to measure the risks inherent in the future cash flows.

TABLE OF CONTENTS

The estimated fair value of the identifiable intangible assets and a preliminary estimate of their weighted average useful lives are as follows:

	<b>Estimated fair value</b>	<b>Weighted average estimated useful life</b>
Currently marketed product rights	\$ 52,600	6.3
IPR&D*	29,380	N/A
Total	\$ 81,980	

Acquired IPR&D assets are initially recognized at fair value and are classified as indefinite-lived assets until the successful completion or abandonment of the associated research and development efforts. Accordingly, during the research and development period after the closing date of the combination, these assets will not be amortized into earnings; instead these assets will be subject to periodic impairment testing. Upon successful completion of the development process for an acquired IPR&D project, determination as to the useful life of the asset will be made; at that point in time, the asset would then be considered a finite-lived intangible asset and Bristol-Myers Squibb would begin to amortize the asset into earnings.

\* Represents the preliminary estimate of deferred income taxes primarily resulting from the fair value adjustments for inventory, identifiable intangible assets, and debt as well as the replacement options and share awards issued.

- (d) This estimate was determined based on the fair value adjustments at an estimated 22.5% U.S. federal and state statutory tax rate. This estimate of deferred income taxes is preliminary and is subject to change based upon Bristol-Myers Squibb's final determination of the fair values of assets acquired and liabilities assumed and the statutory tax rates in the jurisdictions where the assets and liabilities driving taxable income are generated. The preliminary fair value estimate of \$19,816 million has been assigned to Celgene's outstanding indebtedness to
- (e) be assumed as part of the Celgene merger, derived from closing prices for such indebtedness as of September 30, 2018.
- (f) The preliminary estimate of goodwill arising from the combination is \$23,778 million. Goodwill is calculated as the difference between the fair value of the consideration expected to be transferred and the fair values assigned to the assets acquired and liabilities assumed. Goodwill represents the going-concern value associated with future product discovery beyond the existing pipeline and platforms and the value of synergies expected to benefit Bristol-Myers Squibb outside of the context of the identifiable assets as well as the deferred tax consequences of the fair value adjustments recorded for financial statement purposes.

The acquisition method of accounting is dependent upon certain valuations that are provisional and subject to change. Accordingly, the pro forma adjustments are preliminary and made solely for the purpose of providing these unaudited pro forma condensed combined financial statements. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the accompanying unaudited pro forma condensed combined financial statements and the future results of operations and financial position of the combined company.

## **6. Pro forma adjustments to the unaudited pro forma condensed combined balance sheet in connection with the Celgene merger**

The unaudited pro forma condensed combined balance sheet reflects the proposed combination of Bristol-Myers Squibb and Celgene using the acquisition method of accounting as of September 30, 2018. This note should be read in conjunction with Note 1. Description of the Celgene merger and Juno acquisition, Note 2. Basis of presentation and Note 5. Estimate of consideration expected to be transferred in the Celgene merger and preliminary purchase price allocation.

### *Celgene merger adjustments*

Adjustments included in the column under the heading Celgene merger adjustments represent the following:

(a) Estimated cash consideration expected to be transferred

Represents the adjustment to record the cash portion of the merger consideration, estimated to be \$34,945 million.

(b) Estimated fair value of share consideration expected to be transferred

Represents the adjustment to record the equity portion of the merger consideration, estimated to be \$34,260 million (\$70 million increase to common stock and \$34,190 million increase to capital in excess of par value of stock).

(c) Estimated fair value of CVRs

Represents the adjustment to record the fair value of the CVRs transferred as part of the merger consideration, estimated to be \$2,757 million (\$2,621 million issued to Celgene stockholders and \$136 million issued to certain option and share award holders).



TABLE OF CONTENTS

(d) Estimated fair value of share-based compensation awards

Represents the adjustment to record the fair value of the replacement share-based compensation awards transferred as part of the merger consideration, estimated to be \$2,076 million (\$1,644 million for options and \$432 million for restricted share awards).

(e) Intangible assets

Represents the adjustment to record Celgene's intangible assets at their estimated fair value of \$81,980 million and to eliminate the book value of Celgene's historical intangible assets (\$16,342 million).

(f) Inventories

Represents the adjustment required to record Celgene's inventory at its estimated fair value of \$3,460 million. Bristol-Myers Squibb will reflect the increased value of inventory in cost of products sold as the acquired inventory is sold which, for purposes of these unaudited pro forma condensed combined financial statements, is assumed to occur within the first 12 months following the completion of the combination. As there is no continuing impact of the inventory step-up on Bristol-Myers Squibb's results, the impact on cost of products sold of the recognition of the step-up in value of acquired inventory is not included in the unaudited pro forma condensed combined statements of earnings.

(g) Short-term and Long-term debt

Represents the adjustment to record Celgene's assumed short-term and long-term debt at their estimated fair values of \$498 million and \$19,318 million, respectively, and to eliminate Celgene's historical deferred financing costs.

(h) Deferred taxes

Represents the preliminary estimate of deferred income taxes primarily resulting from the fair value adjustments for inventory, identifiable intangible assets, and debt as well as the replacement options and share awards issued. This estimate was determined based on the fair value adjustments at an estimated 22.5% U.S. federal and state statutory tax rate. Pro forma adjustments to the Celgene deferred taxes, primarily resulting from the fair value adjustments for inventory, identifiable intangible assets and debt, are reflected within deferred income tax liabilities and pro forma adjustments to the Bristol-Myers Squibb deferred taxes, primarily resulting from the replacement options and share awards issued, are reflected within deferred income tax assets within the unaudited pro forma condensed combined balance sheet. This estimate of deferred income taxes is preliminary and is subject to change based upon Bristol-Myers Squibb's final determination of the fair values of assets acquired and liabilities assumed and the statutory tax rates in the jurisdictions where the assets and liabilities driving taxable income are generated.

(i) Transaction costs

Represents estimated transaction costs (excluding costs associated with acquisition financing) related to the combination of \$425 million that were not previously recorded in the historical combined financial statements. As there is no continuing impact, the impact of these costs is not included in the unaudited pro forma condensed combined statements of earnings.

- Costs expected to be incurred by Bristol-Myers Squibb (\$200 million), net of related taxes (\$23 million) are reflected as a reduction of retained earnings in the unaudited pro forma condensed combined balance sheet.
- Costs expected to be incurred by Celgene (\$225 million), net of related taxes (\$25 million) are reflected as a reduction of the historical book value of Celgene's net assets in the unaudited pro forma condensed combined balance sheet.

(j) Celgene retention payments

Represents the adjustment to recognize certain Celgene retention payments which are triggered by a change of control (\$45 million) net of estimated related taxes (\$10 million). As there is no continuing impact, the impact of these costs is not included in the unaudited pro forma condensed combined statements of earnings. The adjustment is reflected as

a reduction of retained earnings in the unaudited pro forma condensed balance sheet. Severance and other integration related restructuring costs have not been reflected in these unaudited pro forma condensed combined financial statements given the preliminary nature of these anticipated actions.

TABLE OF CONTENTS

(k) Shareholders' equity

Represents the adjustment to eliminate Celgene's historical stockholders' equity.

*Celgene merger financing adjustments*

Adjustments included in the column under the heading "Celgene merger financing adjustments" reflect the bridge facility and term loan agreement, each as described below.

*Bridge Facility*

On January 2, 2019, Bristol-Myers Squibb entered into a bridge facility providing for up to \$33.5 billion of committed financing in connection with the Celgene merger. Borrowings under the bridge facility are expected to initially bear interest at the rate of LIBOR plus 87.5 basis points, subject to adjustment based on the public ratings of Bristol-Myers Squibb's non-credit enhanced senior unsecured long-term debt and subject to increases of 25 basis points for each 90-day period the bridge facility is outstanding, up to one year. In addition, in order to secure commitments under the bridge facility, Bristol-Myers Squibb agreed to pay certain structuring and funding fees, which are amortized over the periods presented in the unaudited pro forma condensed combined statements of earnings. Other one-time fees are not included in the unaudited pro forma condensed combined statements of earnings as there is no continuing impact. These one-time fees have been reflected as a reduction to retained earnings in the unaudited pro forma condensed combined balance sheet. The bridge facility expires no later than one year from the closing date of the Celgene merger.

The financing commitments in respect of the bridge facility were reduced to \$25.5 billion when the term loan facility (as defined below) was executed and may be further automatically reduced, subject to certain exceptions and limitations, on a dollar-for-dollar basis by the net cash proceeds of any issuance of notes that may be completed by Bristol-Myers Squibb. The financing commitments of the bridge facility commitment parties are currently undrawn and are subject to various conditions set forth in the bridge commitment letter.

*Term Loan Agreement*

On January 18, 2019, Bristol-Myers Squibb entered into a term loan agreement consisting of senior unsecured term loan commitments in an aggregate principal amount of \$8.0 billion that reduces the \$33.5 billion bridge facility described above by the same amount. Bristol-Myers Squibb intends to utilize the term loan facility to fund \$8.0 billion of the cash consideration for the Celgene merger. The term loan facility includes a \$1.0 billion 364-day tranche, \$4.0 billion three-year tranche, and \$3.0 billion five-year tranche.

The pro forma adjustments related to the bridge facility and term loan facility represent the following:

(l) Financing

Represents the drawdown of \$25.5 billion of borrowings under the bridge facility and \$8.0 billion of borrowings under the term loan facility to fund a portion of the cash consideration and related transaction costs. The unaudited pro forma condensed combined balance sheet presents the borrowings under the bridge facility (\$25.5 billion) and the 364-day tranche of the term loan facility (\$1.0 billion) as short-term borrowings and the borrowings under the three-year and five-year tranches of the term loan facility (\$4.0 billion and \$3.0 billion, respectively) as long-term debt.

Bristol-Myers Squibb ultimately does not expect to utilize the bridge facility, and expects to be able to obtain more cost-effective, permanent debt financing at a later date. However, there are no assurances at this time that Bristol-Myers Squibb will be able to do so, as any such future financings will be subject to prevailing market

conditions. Accordingly, the accompanying unaudited pro forma condensed combined financial information reflects the higher cost of borrowings under the bridge facility.

(m) Financing costs

Represents one-time financing-related transaction fees associated with the bridge facility (estimated at \$574 million) net of estimated related taxes (\$129 million). As there is no continuing impact, the impact of these costs is not included in the unaudited pro forma condensed combined statements of earnings. The adjustment is reflected as a reduction of retained earnings in the unaudited pro forma condensed combined balance sheet.

Amortizable financing-related transaction fees associated with the bridge facility (estimated at \$283 million) and the term loan facility (estimated at \$11 million) are reflected as a reduction to the carrying value of the related loans (\$284 million within short-term borrowings and \$10 million within long-term debt).

TABLE OF CONTENTS**7. Pro forma adjustments to the unaudited pro forma condensed combined statements of earnings in connection with the Celgene merger**

The unaudited pro forma condensed combined statements of earnings reflect the proposed combination of Bristol-Myers Squibb and Celgene using the acquisition method of accounting as of January 1, 2017. This note should be read in conjunction with Note 1. Description of the Celgene merger and Juno acquisition, Note 2. Basis of presentation and Note 5. Estimate of consideration expected to be transferred in the Celgene merger and preliminary purchase price allocation.

***Celgene merger adjustments***

Adjustments included in the column under the heading Celgene merger adjustments represent the following:

**(a) Conformity of the adoption date of new hedge accounting standard**

Celgene adopted Accounting Standards Update No. 2017-12 – Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities effective January 1, 2017, and Bristol-Myers Squibb adopted this standard effective January 1, 2018. The impact of adoption resulted in an increase of \$115 million to Celgene's pre-tax and net income for the year ended December 31, 2017. The unaudited pro forma condensed combined statement of earnings reflects a \$115 million increase to Cost of products sold to remove the impact of the adoption for the year ended December 31, 2017 in order to conform with Bristol-Myers Squibb's adoption effective January 1, 2018.

**(b) Amortization of intangibles**

Reflects the adjustment to amortization expense to:

- (i) include an estimate of intangible asset amortization based on the straight-line method and an estimated weighted average useful life of 6.3 years for acquired definite-lived intangible assets of \$6,355 million for the nine-month period ended September 30, 2018 and \$8,474 million for the year ended December 31, 2017 within Cost of products sold ;
- (ii) eliminate Celgene's historical intangible asset amortization expense of \$345 million for the nine-month period ended September 30, 2018 (\$242 million within Cost of products sold and \$103 million within Research and development ) and \$336 million for the year ended December 31, 2017 (\$253 million within Cost of products sold and \$83 million within Research and development ); and
- (iii) eliminate Celgene's pro forma adjustment to intangible asset amortization for Juno's acquired definite-lived intangible assets of \$12 million for the period from January 1, 2018 through March 5, 2018 and \$77 million for the year ended December 31, 2017 within Research and development. Refer to Note 10. Pro forma adjustments to the unaudited pro forma condensed combined statements of earnings in connection with the Juno acquisition and financing for more information.

For each \$1 billion increase or decrease in the fair value of definite-lived intangible assets assuming a weighted-average useful life of 6.3 years, annual amortization expense would increase or decrease by approximately \$160 million.

**(c) Amortization of fair value of debt**

Reflects estimated amortization of \$41 million for the nine-month period ended September 30, 2018 and \$58 million for the year ended December 31, 2017 associated with the decrease in Celgene's debt to fair value which is amortized over the weighted-average remaining life of the obligations.

**(d) Elimination of amortization of deferring financing costs**

Reflects the adjustment for the elimination of historical Celgene amortization of deferred financing costs of \$9 million for the nine-month period ended September 30, 2018 and \$11 million for the year ended December 31, 2017.



TABLE OF CONTENTS

## (e) Interest income

Reflects an estimate of foregone interest income on available cash, cash equivalents and marketable securities based on the use as a source of liquidity to fund the acquisition of \$33 million for the nine-month period ended September 30, 2018 and \$20 million for the year ended December 31, 2017. The estimate was calculated using a weighted-average interest rate of 1.6% for the nine-month period ended September 30, 2018 and 0.7% for the year ended December 31, 2017, derived from actual interest rates realized by Bristol-Myers Squibb in the respective period.

## (f) Income tax provision

Reflects the income tax impact of the pro forma adjustments, primarily related to the amortization of intangible assets and the fair value of debt. An estimated U.S. federal and state statutory tax rate of 22.5% for the nine-month period ended September 30, 2018 and 36.5% for the year ended December 31, 2017 were applied to the applicable pro forma adjustments. The effective tax rate of the combined company could be significantly different than the statutory tax rate assumed for purposes of preparing the unaudited pro forma condensed combined financial statements for a variety of factors such as the mix of post-acquisition income and other activities.

## (g) Weighted average number of shares and Earnings per share

The unaudited pro forma combined basic earnings per share for the periods presented have been adjusted by the 698.9 million Bristol-Myers Squibb common shares expected to be issued in connection with the proposed combination with Celgene, which are assumed outstanding for the nine-month period ended September 30, 2018 and the year ended December 31, 2017 for pro forma purposes. The unaudited pro forma diluted earnings per share for the nine-month period ended September 30, 2018 has also been adjusted by the dilutive Celgene share-based awards based on the exchange ratio. The unaudited pro forma diluted earnings per share for the year ended December 31, 2017 is equal to the unaudited pro forma basic earnings per share due to the pro forma net loss for the combined company, which would cause the impact of share-based awards to be anti-dilutive.

***Celgene merger financing adjustments***

Adjustments included in the column under the **Celgene merger financing adjustments** represent the following:

## (h) Interest expense

Interest expense for the nine-month period ended September 30, 2018 consists of (i) contractual interest expense (\$845 million) for the bridge facility using a weighted average interest rate of 4.42%, (ii) contractual interest expense (\$228 million) for the term loan facility using a weighted average interest rate of 3.79%, (iii) amortization of financing costs (\$121 million) for the bridge facility and (iv) amortization of financing costs (\$3 million) for the term loan facility.

Interest expense for the year ended December 31, 2017 consists of (i) contractual interest expense (\$1,031 million) for the bridge facility using a weighted average interest rate of 4.04%, (ii) contractual interest expense (\$303 million) for the term loan facility using a weighted average interest rate of 3.79%, (iii) amortization of financing costs (\$162 million) for the bridge facility and (iv) amortization of financing costs (\$4 million) for the term loan facility.

Interest expense related to the 364-day bridge facility is included in the nine-month period ended September 30, 2018 and the year ended December 31, 2017 as the bridge facility is expected to be replaced by permanent financing. A one-eighth percent change in the interest rate would result in an increase or a decrease in the pro forma interest expense by \$31 million for the nine-month period ended September 30, 2018 and \$42 million for the year ended December 31, 2017.

## (i) Income tax provision

Reflects the income tax impact of the pro forma financing adjustments. An estimated U.S. federal and state statutory tax rate of 22.5% for the nine-month period ended September 30, 2018 and 36.5% for the year ended December 31, 2017 were applied to the applicable pro forma adjustments. The effective tax rate of the combined company could be significantly different than the statutory tax rate assumed for purposes of preparing the unaudited pro forma condensed combined financial statements for a variety of factors such as the mix of post-acquisition income and other activities.



TABLE OF CONTENTS**8. Historical Juno**

Certain reclassifications have been made to the historical statements of earnings of Juno for the period from January 1, 2018 through March 5, 2018 and the year ended December 31, 2017 to conform to Bristol-Myers Squibb's presentation as follows:

***Unaudited pro forma condensed combined statement of earnings for the nine-month period ended September 30, 2018***

	<b>Juno before reclassification</b>	<b>Reclassification</b>	<b>Notes</b>	<b>Juno after reclassification</b>
Net product sales	\$ —	\$ —		\$ —
Alliance and other revenues	28	—		28
Total Revenues	28	—		28
Cost of products sold	—	—		—
Marketing, selling and administrative	99	(70 )	(1)	29
Research and development	94	(15 )	(1)	79
Interest income, net	(2 )	2	(2)	—
Interest expense	—	—		—
Other (income)/expense, net	(1 )	83	(1),(2)	82
Total Expenses	190	—		190
Earnings/(Loss) Before Income Taxes	(162 )	—		(162 )
Provision for income taxes	—	—		—
Net Earnings/(Loss)	(162 )	—		(162 )
Noncontrolling Interest	—	—		—
Net Earnings/(Loss) Attributable to Controlling Interests	\$ (162 )	\$ —		\$ (162 )

(1) Reclassification of transaction costs from Marketing, selling and administrative (\$70 million) and Research and development (\$15 million) to Other (income)/expense, net.

(2) Reclassification of Interest income, net (\$2 million) to Other (income)/expense, net.

***Unaudited pro forma condensed combined statement of earnings for the year ended December 31, 2017***

	<b>Juno before reclassification</b>	<b>Reclassification</b>	<b>Notes</b>	<b>Juno after reclassification</b>
Net product sales	\$ —	\$ —		\$ —
Alliance and other revenues	112	—		112
Total Revenues	112	—		112
Cost of products sold	—	—		—
Marketing, selling and administrative	108	—		108
Research and development	452	(69 )	(1)	383

Edgar Filing: BRISTOL MYERS SQUIBB CO - Form S-4

Interest income, net	(8 )	8	(2)	—
Interest expense	—	—		—
Other (income)/expense, net	3	61	(1),(2)	64
Total Expenses	555	—		555
Earnings/(Loss) Before Income Taxes	(443 )	—		(443 )
Provision for income taxes	(6 )	—		(6 )
Net Earnings/(Loss)	(437 )	—		(437 )
Noncontrolling Interest	—	—		—
Net Earnings/(Loss) Attributable to Controlling Interests	\$ (437 )	\$ —		\$ (437 )

(1) Reclassification of success payments (\$69 million) from Research and development to Other (income)/expense, net.

(2) Reclassification of Interest income, net (\$8 million) to Other (income)/expense, net.

TABLE OF CONTENTS**9. Fair value of consideration transferred in the Juno acquisition and preliminary purchase price allocation**

The total consideration for the acquisition of Juno was \$10.4 billion, which consisted of the following:

Cash paid for outstanding common stock at \$87.00 per share	\$ 9,101
Fair value of Celgene's investment in Juno	966
Fair value of Juno's equity awards attributable to pre-combination service	367
Estimated purchase price consideration	\$ 10,434

The following is a preliminary estimate of the assets acquired and liabilities assumed by Celgene in the Juno acquisition, reconciled to the fair value of consideration transferred:

Working capital <sup>(a)</sup>	\$ 437
In-process research and development (IPR&D)	6,980
Definite-lived intangible asset	1,260
Property, plant and equipment, net	144
Other non-current assets	46
Deferred tax liabilities, net	(1,530 )
Other non-current liabilities	(41 )
Goodwill	3,138
Total allocated estimated purchase price consideration	\$ 10,434

Includes cash and cash equivalents, debt securities available-for-sale, accounts receivable, net of allowances,

(a) other current assets, accounts payable, accrued expenses and other current liabilities (including accrued litigation).

**10. Pro forma adjustments to the unaudited pro forma condensed combined statements of earnings in connection with the Juno acquisition and financing**

The unaudited pro forma condensed combined statements of earnings reflect Celgene's acquisition of Juno using the acquisition method of accounting as of January 1, 2017. This note should be read in conjunction with Note 1.

Description of the Celgene merger and Juno acquisition, Note 2. Basis of presentation and Note 9. Fair value of consideration transferred in the Juno acquisition and preliminary purchase price allocation.

**(a) Elimination of transactions between Celgene and Juno**

Reflects the elimination of amounts reflected in the historical consolidated statements of earnings from transactions between Celgene and Juno, comprised of (i) \$18 million for the period from January 1, 2018 through March 5, 2018 and \$86 million for the year ended December 31, 2017 within Alliance and other revenues and (ii) \$11 million for the period from January 1, 2018 through March 5, 2018 and \$45 million for the year ended December 31, 2017 within Research and development.

**(b) Amortization of intangibles**

To adjust amortization expense within Research and development to (i) include an estimate of intangible asset amortization for acquired definite-lived intangible assets of \$14 million for the period from January 1, 2018 through March 5, 2018 and \$84 million for the year ended December 31, 2017 and (ii) to eliminate Juno's historical intangible asset amortization expense of \$2 million from January 1, 2018 through March 5, 2018 and \$7 million for the year ended December 31, 2017.

**(c) Transaction costs**

Reflects the elimination of Juno accelerated equity compensation expense associated with the post-combination service period (\$196 million within Marketing, selling and administrative and \$291 million within Research and

development ), the elimination of Celgene's transaction costs (\$92 million within Other (income)/expense, net ) and the elimination of Juno's transaction costs (\$85 million within Other (income)/expense, net ). The unaudited pro forma condensed combined financial information assumes that acquisition related transaction fees and costs, including accelerated one-time post combination share-based compensation related to the acquisition, are not expected to have a continuing impact and are excluded from the unaudited pro forma condensed combined statement of earnings through a pro forma adjustment.

TABLE OF CONTENTS

(d) Interest income

Reflects an estimate of foregone interest income on cash, cash equivalents and marketable securities based on the sale of marketable securities available-for-sale as an assumed source of liquidity to fund the acquisition of \$8 million for the period from January 1, 2018 through March 5, 2018 and \$60 million for the year ended December 31, 2017.

(e) Interest expense

Celgene funded the acquisition through a combination of existing cash, cash equivalents, marketable securities and a portion of the February 2018 issuance of \$4.5 billion of senior notes. The adjustment to interest expense consists of interest expense, amortization of debt issuance costs and other recurring financing costs associated with the \$3.0 billion of debt incurred to fund the acquisition from January 1, 2017 through the debt issuance date of February 20, 2018. The adjustment to interest expense was \$15 million for the period from January 1, 2018 through February 20, 2018 and \$118 million for the year ended December 31, 2017.

(f) Other (income)/expense, net

Elimination of increase of \$458 million in the fair value of Celgene's investment in Juno prior to the acquisition on March 6, 2018 to a fair value of \$966 million, which is based on the offer price of \$87.00 per share. Celgene's investment in Juno was eliminated in the preliminary purchase price allocation.

(g) Income tax provision

Statutory tax rates were applied, as appropriate, to each pro forma adjustment based on the jurisdiction in which the adjustment is expected to occur. An estimated U.S. federal statutory tax rate of 21% for the nine-month period ended September 30, 2018 and 35% for the year ended December 31, 2017 were applied to the applicable pro forma adjustments. The total effective tax rate of the combined company could be significantly different depending on the post-acquisition geographical mix of income and other factors.

TABLE OF CONTENTS**COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION****Market Prices**

The shares of Bristol-Myers Squibb common stock are traded on the NYSE under the symbol **BMY** and the shares of Celgene common stock are traded on Nasdaq under the symbol **CELG**. The following table sets forth, for the calendar periods indicated, the closing high and low sales prices per share of Bristol-Myers Squibb common stock as reported on the NYSE and the intra-day high and low sales prices per share of Celgene common stock as reported on Nasdaq.

	Shares of Bristol-Myers Squibb Common Stock		Shares of Celgene Common Stock	
	High	Low	High	Low
<b>2016:</b>				
First Calendar Quarter	\$ 68.35	\$ 58.87	\$ 119.59	\$ 93.05
Second Calendar Quarter	74.29	64.91	111.90	94.42
Third Calendar Quarter	76.77	53.87	117.90	98.25
Fourth Calendar Quarter	59.61	49.23	127.00	96.93
<b>2017:</b>				
First Calendar Quarter	\$ 60.13	\$ 46.82	\$ 127.64	\$ 111.06
Second Calendar Quarter	57.33	51.66	135.18	113.63
Third Calendar Quarter	63.74	54.24	146.13	126.86
Fourth Calendar Quarter	65.35	59.94	147.17	94.55
<b>2018:</b>				
First Calendar Quarter	\$ 68.98	\$ 59.92	\$ 109.98	\$ 84.95
Second Calendar Quarter	62.98	50.53	92.96	74.13
Third Calendar Quarter	62.25	55.19	95.30	78.15
Fourth Calendar Quarter	63.23	48.76	92.68	58.59
<b>2019:</b>				
First Calendar Quarter (through January 31, 2019)	\$ 52.43	\$ 45.12	\$ 88.80	\$ 63.19

The following table sets forth the closing sale price per share of Bristol-Myers Squibb common stock as reported on the NYSE and price per share of Celgene common stock as reported on Nasdaq on January 2, 2019, the last trading day prior to the public announcement of the transaction, and on January 31, 2019, the most recent trading day prior to the date of this joint proxy statement/prospectus for which this information was available. The table also shows the implied upfront value of the merger consideration for each share of Celgene common stock (without considering any potential CVR payout) as of the same two dates. This implied value was calculated by multiplying the closing sale price of a share of Bristol-Myers Squibb common stock on the relevant date by the exchange ratio and adding \$50.00, the cash component of the merger consideration.

	Shares of Bristol-Myers Squibb Common Stock	Shares of Celgene Common Stock	Implied Per Share Value of Merger Consideration (Without CVR)
January 2, 2019	\$ 52.43	\$ 66.64	\$ 102.43

January 31, 2019	\$ 49.37	\$ 88.46	\$ 99.37
------------------	----------	----------	----------

The market prices of shares of Bristol-Myers Squibb common stock and shares of Celgene common stock have fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this joint proxy statement/prospectus to the dates of the Bristol-Myers Squibb special meeting and the Celgene special meeting and the date the merger is completed. No assurance can be given concerning the market prices of shares of Bristol-Myers Squibb common stock or shares of Celgene common stock before completion of the merger or shares of Bristol-Myers Squibb common stock after completion of the merger. The exchange ratio is fixed in the merger agreement, but the market price of shares of Bristol-Myers Squibb common stock (and therefore the value of the merger consideration) when received by Celgene stockholders after the merger is completed could be greater than, less than or the same as shown in the table above. Accordingly, Celgene stockholders are advised to obtain current market quotations for shares of Bristol-Myers Squibb common stock and shares of Celgene common stock in deciding whether to vote for adoption of the merger agreement.

TABLE OF CONTENTS

This information should be read together with the consolidated financial statements and related notes of Bristol-Myers Squibb and Celgene that are incorporated by reference in this document and with the unaudited pro forma combined financial data included under the section titled "Certain Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page 58 of this joint proxy statement/prospectus.

**Dividends**

Bristol-Myers Squibb currently pays a quarterly dividend on shares of Bristol-Myers Squibb common stock and last paid a dividend on November 1, 2018 of \$0.40 per share. On December 6, 2018, the BMS Board authorized a dividend of \$0.41 per share, to be paid on February 1, 2019 to Bristol-Myers Squibb stockholders of record as of January 4, 2019. On December 6, 2018, the BMS Board also authorized a dividend of \$0.50 per share on the Bristol-Myers Squibb \$2.00 convertible preferred stock, to be paid March 1, 2019 to Bristol-Myers Squibb \$2.00 convertible preferred stockholders of record as of February 5, 2019. Under the terms of the merger agreement, during the period before completion of the merger, Bristol-Myers Squibb is not permitted to declare, set aside or pay any dividend or other distribution other than its regular cash dividend in the ordinary course of business consistent with past practice in an amount not to exceed \$0.41 per share per quarter.

Celgene has never declared or paid any cash dividends on shares of Celgene common stock. Under the terms of the merger agreement, during the period before completion of the merger, Celgene is not permitted to declare, set aside or pay any dividend or other distribution, subject to exceptions.

After completion of the merger, each former Celgene stockholder who holds shares of Bristol-Myers Squibb common stock into which shares of Celgene common stock have been converted in connection with the merger will receive all dividends or other distributions declared and paid on shares of Bristol-Myers Squibb common stock with a record date on or after the completion of the merger. However, no dividend or other distribution having a record date after completion of the merger will actually be paid with respect to any shares of Bristol-Myers Squibb common stock into which shares of Celgene common stock have been converted in connection with the merger until the certificates formerly representing shares of Celgene common stock have been surrendered or the book-entry shares formerly representing shares of Celgene common stock have been transferred to the exchange agent in accordance with the merger agreement, at which time any such accrued dividends and other distributions on those shares of Bristol-Myers Squibb common stock will be paid without interest. Subject to the limitations set forth in the merger agreement described above, any future dividends by Bristol-Myers Squibb will be made at the discretion of the BMS Board. Subject to the limitations set forth in the merger agreement described above, any future dividends by Celgene will be made at the discretion of the Celgene Board. There can be no assurance that any future dividends will be declared or paid by Bristol-Myers Squibb or Celgene or as to the amount or timing of those dividends, if any.



TABLE OF CONTENTS**CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement/prospectus (including information included or incorporated by reference herein) contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You can generally identify forward-looking statements by the use of forward-looking terminology such as anticipate, believe, continue, could, estimate, explore, evaluate, intend, may, might, plan, potential, predict, project, seek, should, or will, other variations thereon or comparable terminology. These forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond Bristol-Myers Squibb's and Celgene's control. Statements in this communication regarding Bristol-Myers Squibb, Celgene and the combined company that are forward-looking, including projections as to the anticipated benefits of the proposed transaction, the impact of the proposed transaction on Bristol-Myers Squibb's and Celgene's business and future financial and operating results, the amount and timing of synergies from the proposed transaction, the terms and scope of the expected financing for the proposed transaction, the aggregate amount of indebtedness of the combined company following the closing of the proposed transaction, expectations regarding cash flow generation, accretion to cash earnings per share, capital structure, debt repayment, and credit ratings following the closing of the proposed transaction, Bristol-Myers Squibb's ability and intent to conduct a share repurchase program and declare future dividend payments, the combined company's pipeline, intellectual property protection and R&D spend, the timing and probability of a payment pursuant to the contingent value right consideration, and the closing date for the proposed transaction, are based on management's estimates, assumptions and projections, and are subject to significant uncertainties and other factors, many of which are beyond Bristol-Myers Squibb's and Celgene's control. These factors include, among other things, effects of the continuing implementation of governmental laws and regulations related to Medicare, Medicaid, Medicaid managed care organizations and entities under the Public Health Service 340B program, pharmaceutical rebates and reimbursement, market factors, competitive product development and approvals, pricing controls and pressures (including changes in rules and practices of managed care groups and institutional and governmental purchasers), economic conditions such as interest rate and currency exchange rate fluctuations, judicial decisions, claims and concerns that may arise regarding the safety and efficacy of in-line products and product candidates, changes to wholesaler inventory levels, variability in data provided by third parties, changes in, and interpretation of, governmental regulations and legislation affecting domestic or foreign operations, including tax obligations, changes to business or tax planning strategies, difficulties and delays in product development, manufacturing or sales including any potential future recalls, patent positions and the ultimate outcome of any litigation matter. These factors also include the combined company's ability to execute successfully its strategic plans, including its business development strategy, the expiration of patents or data protection on certain products, including assumptions about the combined company's ability to retain patent exclusivity of certain products, the impact and result of governmental investigations, the combined company's ability to obtain necessary regulatory approvals or obtaining these without delay, the risk that the combined company's products prove to be commercially successful or that contractual milestones will be achieved. Similarly, there are uncertainties relating to a number of other important factors, including: results of clinical trials and preclinical studies, including subsequent analysis of existing data and new data received from ongoing and future studies; the content and timing of decisions made by the FDA and other regulatory authorities, investigational review boards at clinical trial sites and publication review bodies; the ability to enroll patients in planned clinical trials; unplanned cash requirements and expenditures; competitive factors; the ability to obtain, maintain and enforce patent and other intellectual property protection for any product candidates; the ability to maintain key collaborations; and general economic and market conditions. Additional information concerning these risks, uncertainties and assumptions can be found in Bristol-Myers Squibb's and Celgene's respective filings with the SEC, including the risk factors discussed in Bristol-Myers Squibb's and Celgene's most recent Annual Reports on Form 10-K, as updated by their Quarterly Reports on Form 10-Q and future filings with the SEC. It should also be noted that projected financial information for the combined businesses of Bristol-Myers Squibb and Celgene is based on management's estimates, assumptions and projections and has not been prepared in conformance with the applicable accounting requirements of Regulation S-X of the Exchange Act relating to pro forma financial information, and the required pro forma

adjustments have not been applied and are not reflected therein. None of this information should be considered in isolation from, or as a substitute for, the historical financial statements of Bristol-Myers Squibb or Celgene. Important risk factors could cause actual future results and other future events to differ materially from those currently estimated by management, including, but not limited to, the risks that: a condition to the closing the proposed acquisition may not be

TABLE OF CONTENTS

satisfied; a regulatory approval that may be required for the proposed acquisition is delayed, is not obtained or is obtained subject to conditions that are not anticipated; Bristol-Myers Squibb is unable to achieve the synergies and value creation contemplated by the proposed acquisition; Bristol-Myers Squibb is unable to promptly and effectively integrate Celgene's businesses; management's time and attention is diverted on transaction related issues; disruption from the transaction makes it more difficult to maintain business, contractual and operational relationships; the credit ratings of the combined company declines following the proposed acquisition; legal proceedings are instituted against Bristol-Myers Squibb, Celgene or the combined company; Bristol-Myers Squibb, Celgene or the combined company is unable to retain key personnel; and the announcement or the consummation of the proposed acquisition has a negative effect on the market price of the capital stock of Bristol-Myers Squibb and Celgene or on Bristol-Myers Squibb's and Celgene's operating results. No assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do occur, what impact they will have on the results of operations, financial condition or cash flows of Bristol-Myers Squibb or Celgene. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the proposed transaction and/or Bristol-Myers Squibb or Celgene, Bristol-Myers Squibb's ability to successfully complete the proposed transaction and/or realize the expected benefits from the proposed transaction.

The foregoing list sets forth some, but not all, of the factors that could have an impact upon Bristol-Myers Squibb's and Celgene's ability to achieve results described in any forward-looking statements. A further list and description of these and other factors can be found in the section entitled "Risk Factors" beginning on page 38 of this joint proxy statement/prospectus and elsewhere in this joint proxy statement/prospectus. In addition, all of the forward-looking statements Bristol-Myers Squibb or Celgene make in this document are qualified by the information incorporated by reference into this joint proxy statement/prospectus, including, but not limited to (i) the information contained under this heading and (ii) the information discussed under the sections entitled "Risk Factors" in Bristol-Myers Squibb's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and Bristol-Myers Squibb's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018 and in Celgene's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 and Celgene's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018. See the section entitled "Where You Can Find More Information" beginning on page 250 of this joint proxy statement/prospectus.

Persons reading this announcement are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance, and are applicable only as of the dates of such statements. You also should understand that it is not possible to predict or identify all such factors and that this list should not be considered a complete statement of all potential risks and uncertainties. Investors also should realize that if underlying assumptions prove inaccurate or if unknown risks or uncertainties materialize, actual results could vary materially from Bristol-Myers Squibb's or Celgene's projections. Except as otherwise required by law, neither Bristol-Myers Squibb nor Celgene is under any obligation, and each expressly disclaim any obligation, to update, alter, or otherwise revise any forward-looking statements included in this joint proxy statement/prospectus or elsewhere, whether written or oral, that may be made from time to time relating to any of the matters discussed in this joint proxy statement/prospectus, whether as a result of new information, future events or otherwise, as of any future date.

## TABLE OF CONTENTS

### THE COMPANIES

#### **Bristol-Myers Squibb**

Bristol-Myers Squibb was incorporated under the laws of the State of Delaware in August 1933 under the name Bristol-Myers Company, as successor to a New York business started in 1887. In 1989, Bristol-Myers Company changed its name to Bristol-Myers Squibb Company as a result of a merger. Bristol-Myers Squibb is engaged in the discovery, development, licensing, manufacturing, marketing, distribution and sale of biopharmaceutical products on a global basis.

The principal trading market for shares of Bristol-Myers Squibb common stock (NYSE: BMY) is the NYSE. The principal executive offices of Bristol-Myers Squibb are located at 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016; its telephone number is (212) 546-4000; and its website is *www.bms.com*. Information on Bristol-Myers Squibb's Internet website is not incorporated by reference into or otherwise part of this joint proxy statement/prospectus.

This joint proxy statement/prospectus incorporates important business and financial information about Bristol-Myers Squibb from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a list of the documents that are incorporated by reference, see *Where You Can Find More Information* beginning on page 250 of this joint proxy statement/prospectus.

#### **Celgene**

Celgene was incorporated in the State of Delaware in 1986. Celgene is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation. Its primary commercial stage products include REVLIMID®, POMALYST®/IMNOVID®, OTEZLA®, ABRAXANE® and VIDAZA®.

Celgene continues to make significant investments in research and development in support of multiple ongoing proprietary clinical development programs, which support its existing products and pipeline of new product candidates. Celgene's key late-stage product candidates, which are expected to launch in 2019 and 2020, are ozanimod, fedratinib, luspatercept, bb2121, and JCAR017. Beyond its late-stage product candidates, Celgene has access to a growing early-to-mid-stage pipeline of novel potential therapies to address significant unmet medical needs that consists of new product candidates and cell therapies developed in-house, licensed from other companies or able to be optioned from collaboration partners.

The principal trading market for shares of Celgene common stock (NASDAQ: CELG) is Nasdaq. The principal executive offices of Celgene are located at 86 Morris Avenue, Summit, New Jersey 07901; its telephone number is (908) 673-9000; and its website is *www.celgene.com*. Information on Celgene's Internet website is not incorporated by reference into or otherwise part of this joint proxy statement/prospectus.

This joint proxy statement/prospectus incorporates important business and financial information about Celgene from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a list of the documents that are incorporated by reference, see *Where You Can Find More Information* beginning on page 250 of this joint proxy statement/prospectus.

#### **Burgundy Merger Sub, Inc.**

Merger Sub was incorporated under the laws of the State of Delaware on December 31, 2018, and is a wholly-owned subsidiary of Bristol-Myers Squibb. Merger Sub was formed solely for the purpose of completing the merger. Merger Sub has not carried on any activities or operations to date, except for activities incidental to its formation and activities undertaken in connection with the merger. By operation of the merger, Merger Sub will be merged with and into Celgene, with Celgene surviving the merger as a wholly-owned subsidiary of Bristol-Myers Squibb.

The principal executive offices of Merger Sub are located at 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016; its telephone number is (212) 546-4000.

## TABLE OF CONTENTS

### **SPECIAL MEETING OF STOCKHOLDERS OF BRISTOL-MYERS SQUIBB**

**Bristol-Myers Squibb is providing this joint proxy statement/prospectus to its stockholders in connection with the solicitation of proxies to be voted at the Bristol-Myers Squibb special meeting of stockholders (or any adjournment or postponement thereof) that Bristol-Myers Squibb has called to consider and vote on a proposal to approve the stock issuance and a proposal to approve the adjournment from time to time of the Bristol-Myers Squibb special meeting if necessary to solicit additional proxies if there are not sufficient votes at the time of the Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the stock issuance.**

#### **Date, Time and Location**

Together with this joint proxy statement/prospectus, Bristol-Myers Squibb is also sending Bristol-Myers Squibb stockholders a notice of the Bristol-Myers Squibb special meeting and a form of proxy card that is solicited by the BMS Board for use at the Bristol-Myers Squibb special meeting to be held on April 12, 2019, at the offices of Kirkland & Ellis LLP, located at 601 Lexington Avenue, New York, New York 10022, at 10:00 a.m., Eastern Time, and any adjournments or postponements of the Bristol-Myers Squibb special meeting.

Only stockholders of Bristol-Myers Squibb as of the record date, March 1, 2019, their authorized representatives and guests of Bristol-Myers Squibb may attend the special meeting. Admission will be by ticket only. A form of government-issued photograph identification will be required to enter the meeting. Large bags, backpacks, briefcases, cameras, recording equipment and other electronic devices will not be permitted in the meeting, and attendees will be subject to security inspections. Our offices are wheelchair accessible. Bristol-Myers Squibb will provide, upon request, wireless headsets for hearing amplification.

If you are a registered stockholder (your shares are held in your name) and plan to attend the meeting, you should bring the top portion of the proxy card, both of which will serve as your admission ticket.

If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record) and plan to attend the meeting, you can obtain an admission ticket in advance by writing to Shareholder Services, 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016. Please be sure to enclose proof of ownership, such as a bank or brokerage account statement. Stockholders who do not obtain tickets in advance may obtain them upon verification of ownership at the Registration Desk on the day of the special meeting.

#### **Purpose**

At the Bristol-Myers Squibb special meeting, Bristol-Myers Squibb stockholders will be asked to consider and vote on the following proposals:

- to approve the stock issuance; and
- to approve the Bristol-Myers Squibb adjournment proposal.

Under Bristol-Myers Squibb's by-laws, the business to be conducted at the Bristol-Myers Squibb special meeting will be limited to the proposals set forth in the notice to Bristol-Myers Squibb stockholders provided with this joint proxy statement/prospectus.

#### **Recommendation of the Bristol-Myers Squibb Board of Directors**

For the reasons set forth in this joint proxy statement/prospectus, the BMS Board determined that the merger agreement and the transactions contemplated by the merger agreement, including the merger and the stock issuance,

are advisable, fair to and in the best interests of Bristol-Myers Squibb and its stockholders. The BMS Board unanimously recommends that Bristol-Myers Squibb stockholders vote **FOR** the stock issuance. The BMS Board further unanimously recommends that Bristol-Myers Squibb stockholders vote **FOR** the Bristol-Myers Squibb adjournment proposal. See **Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Bristol-Myers Squibb’s Reasons for the Merger; Recommendation of the Bristol-Myers Squibb Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance** beginning on page 109 of this joint proxy statement/prospectus for a more detailed discussion of the recommendation of the BMS Board that Bristol-Myers Squibb stockholders approve the stock issuance.

TABLE OF CONTENTS**Bristol-Myers Squibb Record Date; Outstanding Shares; Stockholders Entitled to Vote**

The BMS Board has fixed the close of business on March 1, 2019, as the record date for the determination of the Bristol-Myers Squibb stockholders entitled to vote at the Bristol-Myers Squibb special meeting or any adjournment or postponement of the Bristol-Myers Squibb special meeting. Only Bristol-Myers Squibb stockholders of record at the record date are entitled to receive notice of, and to vote at, the Bristol-Myers Squibb special meeting or any adjournment or postponement thereof. As of the close of business on January 24, 2019, there were (i) 1,632,650,807.509 shares of Bristol-Myers Squibb \$0.10 par value common stock outstanding and entitled to vote at the Bristol-Myers Squibb special meeting, held by approximately 39,427 holders of record, and (ii) 3,586 shares of Bristol-Myers Squibb \$2.00 convertible preferred stock outstanding and entitled to vote at the Bristol-Myers Squibb special meeting, held by approximately 141 holders of record.

**Quorum**

The presence at the Bristol-Myers Squibb special meeting, in person or by proxy, of the holders of a majority of the outstanding shares of Bristol-Myers Squibb stock at the record date (the close of business on March 1, 2019) and entitled to vote will constitute a quorum. Elections to abstain from voting will be deemed present at the Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum. Shares of Bristol-Myers Squibb stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record, and shares of Bristol-Myers Squibb stock with respect to which the beneficial owner otherwise fails to vote, will not be deemed present at the Bristol-Myers Squibb special meeting for the purpose of determining the presence of a quorum. There must be a quorum for the vote on the stock issuance to be taken at the Bristol-Myers Squibb special meeting. Failure of a quorum to be present at the Bristol-Myers Squibb special meeting will necessitate an adjournment of the meeting and will subject Bristol-Myers Squibb to additional expense.

**Required Vote**

The affirmative vote of at least a majority of the votes cast by holders of outstanding shares of Bristol-Myers Squibb stock at a duly called and held meeting of Bristol-Myers Squibb's stockholders at which a quorum is present approving the issuance of shares of Bristol-Myers Squibb stock in connection with the merger. **Bristol-Myers Squibb cannot complete the merger unless its stockholders approve the stock issuance.** Under the current rules and interpretive guidance of the NYSE, votes cast on the stock issuance consist of votes for or against as well as elections to abstain from voting. As a result, a Bristol-Myers Squibb stockholder's abstention from voting on the stock issuance will have the same effect as a vote AGAINST the proposal. Assuming a quorum is present, the failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the outcome of any vote to approve the stock issuance because these failures to vote are not considered votes cast.

Approval of the Bristol-Myers Squibb adjournment proposal, whether or not a quorum is present, requires the affirmative vote of a majority of the votes present at the Bristol-Myers Squibb special meeting by Bristol-Myers Squibb stockholders entitled to vote. For purposes of the Bristol-Myers Squibb adjournment proposal, votes present on the proposal consist of votes for or against as well as elections to abstain from voting on the proposal. As a result, a Bristol-Myers Squibb stockholder's abstention from voting on the Bristol-Myers Squibb adjournment proposal will have the same effect as a vote AGAINST the approval of this proposal. The failure of a Bristol-Myers Squibb stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Bristol-Myers Squibb stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.





## TABLE OF CONTENTS

### **Stock Ownership of and Voting by Bristol-Myers Squibb Directors and Executive Officers**

As of January 24, 2019, Bristol-Myers Squibb's directors and executive officers and their affiliates beneficially owned and had the right to vote in the aggregate 1,810,875 shares of Bristol-Myers Squibb stock at the Bristol-Myers Squibb special meeting, which represents approximately less than 1% of the shares of Bristol-Myers Squibb stock entitled to vote at the Bristol-Myers Squibb special meeting. Each of Bristol-Myers Squibb's directors and executive officers is expected, as of the date of this joint proxy statement/prospectus, to vote his or her shares of Bristol-Myers Squibb stock FOR the stock issuance and FOR the Bristol-Myers Squibb adjournment proposal, although none of Bristol-Myers Squibb's directors or executive officers has entered into any agreement requiring them to do so.

### **Voting of Shares**

Proxies are solicited to give all holders of record of Bristol-Myers Squibb stock who are entitled to vote on the matters that come before the meeting the opportunity to do so whether or not they attend the meeting in person. If you are a registered holder, you can vote your shares by proxy in one of the following manners:

- (i) via Internet at [www.proxyvote.com](http://www.proxyvote.com);
- (ii) by telephone at (800) 690-6903;
- (iii) by mail, if you received a paper copy of the proxy materials; or
- (iv) in person at the special meeting.

Choosing to vote via Internet or calling the toll-free number listed above will save Bristol-Myers Squibb expense. In order to vote online or via telephone, have the voting form in hand and either call the number or go to the website and follow the instructions. If you vote via the Internet or by telephone, please do not return a signed proxy card.

If you received a paper copy of the joint proxy statement/prospectus and choose to vote by mail, specify how you want your shares voted on each proposal by marking the appropriate boxes on the proxy card enclosed with the joint proxy statement/prospectus, date and sign it, and mail it in the postage-paid envelope.

If you wish to vote in person, you can vote your shares at the special meeting.

### ***Generally***

If you are a beneficial stockholder, you have the right to direct your broker or nominee on how to vote the shares. You should complete a voting instruction card which your broker or nominee is obligated to provide you. If you wish to vote in person at the meeting, you must first obtain from the record holder a legal proxy issued in your name.

Under the rules of the NYSE, brokers that have not received voting instructions from their customers ten days prior to the meeting date may vote their customers' shares in the brokers' discretion on the proposals regarding routine matters.

Under NYSE rules, both proposals to be considered at the Bristol-Myers Squibb special meeting as described in this joint proxy statement/prospectus are considered non-routine, which means that your broker cannot vote your shares on these proposals.

**Your vote is very important, regardless of the number of shares you own. Whether or not you expect to attend the Bristol-Myers Squibb special meeting in person, please vote or otherwise submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Bristol-Myers Squibb special meeting. If your shares are held in the name of a bank, broker or other nominee holder of record, please follow the instructions on the voting instruction form furnished to you by such record holder.**



## TABLE OF CONTENTS

### **Revocability of Proxies; Changing Your Vote**

If you are a stockholder of record, you can revoke your proxy at any time before it is voted at the meeting by taking one of the following three actions:

- by giving timely written notice of the revocation to the Bristol-Myers Squibb Company, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717;
- by casting a new vote by telephone or by the Internet; or
- by voting in person at the special meeting.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your bank, broker or other holder of record. You may also vote in person at the special meeting if you obtain a legal proxy.

All shares that have been properly voted and not revoked will be voted at the special meeting.

### **Solicitation of Proxies; Expenses of Solicitation**

This joint proxy statement/prospectus is being provided to holders of shares of Bristol-Myers Squibb stock in connection with the solicitation of proxies by the BMS Board to be voted at the Bristol-Myers Squibb special meeting and at any adjournments or postponements of the Bristol-Myers Squibb special meeting. Bristol-Myers Squibb will bear all costs and expenses in connection with the solicitation of proxies, including the costs of filing, printing and mailing this joint proxy statement/prospectus for the Bristol-Myers Squibb special meeting. Bristol-Myers Squibb has engaged MacKenzie Partners, Inc. to assist in the solicitation of proxies for the Bristol-Myers Squibb special meeting and will pay a minimum fee of \$75,000.

In addition to solicitation by mail, directors, officers and employees of Bristol-Myers Squibb or its subsidiaries may solicit proxies from stockholders by telephone, telegram, email, personal interview or other means. Bristol-Myers Squibb currently expects not to incur any costs beyond those customarily expended for a solicitation of proxies in connection with approval of any issuance of shares of Bristol-Myers Squibb common stock. Directors, officers and employees of Bristol-Myers Squibb will not receive additional compensation for their solicitation activities, but may be reimbursed for reasonable out-of-pocket expenses incurred by them in connection with the solicitation. Brokers, dealers, commercial banks, trust companies, fiduciaries, custodians and other nominees have been requested to forward proxy solicitation materials to their customers, and such nominees will be reimbursed for their reasonable out-of-pocket expenses.

### **Householding**

Householding is a procedure Bristol-Myers Squibb adopted whereby stockholders of record who have the same last name and address and who receive the proxy materials by mail will receive only one copy of the proxy materials unless Bristol-Myers Squibb have received contrary instructions from one or more of the stockholders. This procedure reduces printing and mailing costs. If you wish to receive a separate copy of the proxy materials, now or in the future, at the same address, or if you are currently receiving multiple copies of the proxy materials at the same address and wish to receive a single copy, you may contact Bristol-Myers Squibb Company, 430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor, New York, New York 10016, or by calling Bristol-Myers Squibb at (212) 546-3309. If you are a beneficial owner (your shares are held in the name of a bank, broker or other holder of record), the bank, broker or other holder of record may deliver only one copy of the joint proxy statement/prospectus to stockholders who have the same address unless the bank, broker or other holder of record has received contrary instructions from one or more of the stockholders. If you wish to receive a separate copy of the joint proxy statement/prospectus now or in the future, you may contact Bristol-Myers Squibb at the address or phone number above and Bristol-Myers Squibb will promptly deliver a separate copy. Beneficial owners sharing an address who are currently receiving multiple copies of the joint proxy

statement/prospectus and wish to receive a single copy in the future, should contact their bank, broker or other holder of record to request that only a single copy be delivered to all stockholders at the shared address in the future.

**Adjournment**

Bristol-Myers Squibb stockholders are being asked to approve a proposal that will give the BMS Board authority to adjourn from time to time the Bristol-Myers Squibb special meeting for the purpose of soliciting additional proxies in favor of the approval of the stock issuance if there are not sufficient votes at the time of the

TABLE OF CONTENTS

Bristol-Myers Squibb special meeting, or any adjournment or postponement thereof, to approve the stock issuance. If the Bristol-Myers Squibb adjournment proposal is approved, the Bristol-Myers Squibb special meeting could be adjourned to any date. In addition, the BMS Board, with or without stockholder approval, could postpone the Bristol-Myers Squibb special meeting before it commences, whether for the purpose of soliciting additional proxies or for other reasons. If the Bristol-Myers Squibb special meeting is adjourned for the purpose of soliciting additional proxies, stockholders who have already submitted their proxies will be able to revoke them at any time prior to their use. If you sign and return a proxy and do not indicate how you wish to vote on any proposal, or if you indicate that you wish to vote in favor of the approval of the stock issuance but do not indicate a choice on the Bristol-Myers Squibb adjournment proposal, your shares will be voted in favor of the Bristol-Myers Squibb adjournment proposal. But if you indicate that you wish to vote against the approval of the stock issuance, your shares will only be voted in favor of the Bristol-Myers Squibb adjournment proposal if you indicate that you wish to vote in favor of that proposal.

**Other Information**

The matters to be considered at the Bristol-Myers Squibb special meeting are of great importance to the stockholders of Bristol-Myers Squibb. Accordingly, you are urged to read and carefully consider the information contained in or incorporated by reference into this joint proxy statement/prospectus and submit your proxy via the Internet or by telephone or complete, date, sign and promptly return the enclosed proxy card in the enclosed postage-paid envelope. **If you submit your proxy via the Internet or by telephone, you do not need to return the enclosed proxy card.**

**Assistance**

**If you need assistance in completing your proxy card or have questions regarding the Bristol-Myers Squibb special meeting, please contact:**

MacKenzie Partners, Inc.  
1407 Broadway, 27<sup>th</sup> Floor  
New York, New York 10018  
Telephone (Toll-Free): (800) 322-2885  
Telephone (Collect): (212) 929-5500  
Email: proxy@mackenziepartners.com

or

Bristol-Myers Squibb Company  
430 East 29<sup>th</sup> Street, 14<sup>th</sup> Floor  
New York, New York 10016  
Attention: Corporate Secretary  
Telephone: (212) 546-3309

## TABLE OF CONTENTS

### **SPECIAL MEETING OF STOCKHOLDERS OF CELGENE**

**Celgene is providing this joint proxy statement/prospectus to its stockholders in connection with the solicitation of proxies to be voted at the Celgene special meeting of stockholders (or any adjournment or postponement thereof) that Celgene has called to consider and vote on (i) a proposal to adopt the merger agreement, (ii) a proposal to approve the adjournment from time to time of the Celgene special meeting if necessary to solicit additional proxies if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof and (iii) a proposal to approve, on an advisory (non-binding) basis, the compensation that will or may be paid or provided by Celgene to its named executive officers in connection with the merger.**

#### **Date, Time and Location**

Together with this joint proxy statement/prospectus, Celgene is also sending Celgene stockholders a notice of the Celgene special meeting and a form of proxy card that is solicited by the Celgene Board for use at the Celgene special meeting to be held at the offices of Wachtell, Lipton, Rosen & Katz located at 51 West 52<sup>nd</sup> Street, New York, New York 10019 on Friday, April 12, 2019, at 10:00 a.m., Eastern Time, and any adjournments or postponements of the Celgene special meeting.

Only stockholders or their proxy holders may attend the Celgene special meeting. If you hold shares in your name at the record date and plan to attend the Celgene special meeting, because of security procedures, you will need to obtain an admission ticket in advance. Tickets will be available to registered and beneficial owners. You can print your own tickets and you must bring them to the meeting to gain access. Tickets can be printed by accessing Shareholder Meeting Registration at [www.ProxyVote.com](http://www.ProxyVote.com) and following the instructions provided (you will need the 16 digit number included on your proxy card or voter instruction form). If you are unable to print your tickets, please contact Celgene's Corporate Secretary at 1-908-673-9000. Requests for admission tickets will be processed in the order in which they are received and must be submitted no later than 11:59 p.m. (Eastern Time) on April 11, 2019. Please note that seating is limited and requests for tickets will be accepted on a first-come, first-served basis. If you received your special meeting materials electronically and wish to attend the meeting, please follow the instructions provided for attendance. If you are attending the Celgene special meeting in person, you will be required to present valid, government-issued photo identification, such as a driver's license or passport, and an admission ticket to be admitted to the Celgene special meeting.

#### **Purpose**

At the Celgene special meeting, Celgene stockholders will be asked to consider and vote on the following proposals:

- to adopt the merger agreement;
- to approve the Celgene adjournment proposal; and
- to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal.

#### **Recommendation of the Celgene Board of Directors**

The Celgene Board unanimously determined that the merger agreement and the transactions contemplated by the merger agreement (including the merger) are fair to and in the best interests of Celgene and its stockholders. **The Celgene Board unanimously recommends that Celgene stockholders vote FOR the proposal to adopt the merger agreement.** For the factors considered by the Celgene Board in reaching this decision, see Celgene Proposal I: Adoption of the Merger Agreement and Bristol-Myers Squibb Proposal I: Approval of the Stock Issuance—Celgene's Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement beginning on page 105 of this joint proxy statement/prospectus.

The Celgene Board unanimously recommends that Celgene stockholders vote **FOR** the Celgene adjournment proposal. See **Celgene Proposal II: Adjournment of the Celgene Special Meeting** beginning on page 208 of this joint proxy statement/prospectus.

In addition, the Celgene Board unanimously recommends that Celgene stockholders vote **FOR** the Celgene compensation advisory proposal. See **Celgene Proposal III: Advisory Vote On Merger-Related Executive Compensation Arrangements** beginning on page 209 of this joint proxy statement/prospectus.



## TABLE OF CONTENTS

### **Celgene Record Date; Outstanding Shares; Stockholders Entitled to Vote**

A committee of the Celgene Board has fixed the close of business on March 1, 2019, as the record date for the determination of the Celgene stockholders entitled to notice of and to vote at the Celgene special meeting or any adjournment or postponement of the Celgene special meeting. Only Celgene stockholders of record at the record date are entitled to receive notice of, and to vote at, the Celgene special meeting or any adjournment or postponement of the Celgene special meeting. As of the close of business on January 29, 2019, there were 701,024,507 shares of Celgene common stock outstanding and entitled to vote at the Celgene special meeting, held by approximately 363 holders of record. Each holder of shares of Celgene common stock is entitled to one vote for each share of Celgene common stock owned at the record date.

### **Quorum**

The presence at the Celgene special meeting, in person or by proxy, of the holders of a majority of the outstanding shares of Celgene common stock at the record date (the close of business on March 1, 2019) and entitled to vote will constitute a quorum. Shares of Celgene common stock whose holders elect to abstain from voting will be deemed present at the Celgene special meeting for the purpose of determining the presence of a quorum. Shares of Celgene common stock held in street name with respect to which the beneficial owner fails to give voting instructions to the broker, bank or other nominee holder of record, and shares of Celgene common stock with respect to which the beneficial owner otherwise fails to vote, will not be deemed present at the Celgene special meeting for the purpose of determining the presence of a quorum. There must be a quorum for the vote on the adoption of the merger agreement and the vote on the Celgene compensation advisory (non-binding) proposal to be taken at the Celgene special meeting. Failure of a quorum to be present at the Celgene special meeting will necessitate an adjournment of the meeting and will subject Celgene to additional expense.

### **Required Vote**

Pursuant to Delaware law, to adopt the merger agreement, the affirmative vote of the holders of a majority of shares of Celgene common stock outstanding and entitled to vote thereon is required. **Celgene cannot complete the merger and the merger consideration will not be paid unless its stockholders adopt the merger agreement and the other closing conditions specified in the merger agreement are met. Because adoption of the merger agreement requires the affirmative vote of the holders of at least a majority of shares of Celgene common stock outstanding and entitled to vote thereon, a Celgene stockholder's abstention from voting, the failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have the same effect as a vote AGAINST the proposal to adopt the merger agreement.**

To approve the Celgene adjournment proposal (whether or not a quorum, as defined under Celgene's by-laws, is present), the affirmative vote of a majority of the votes present at the Celgene special meeting by holders of shares of Celgene common stock is required. For purposes of the Celgene adjournment proposal, votes present consist of votes for or against as well as elections to abstain from voting on the proposal. As a result, a Celgene stockholder's abstention from voting on the Celgene adjournment proposal will have the same effect as a vote AGAINST the approval of the proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the approval of this proposal because these failures to vote are not considered votes present.

To approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal (assuming a quorum, as defined under Celgene's by-laws, is present), the affirmative vote of a majority of the votes cast at the Celgene special meeting by holders of shares of Celgene common stock is required. For purposes of the Celgene compensation advisory proposal, votes cast means votes for or against the proposal. As a result, a Celgene stockholder's abstention from voting will have no effect on the outcome of any vote to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal. The failure of a Celgene stockholder who holds his or her shares in street name through a broker, bank or other nominee holder of record to give voting instructions to that broker, bank or other nominee holder of record or any other failure of a Celgene stockholder to vote will have no effect on the outcome of any vote to approve, on an advisory (non-binding)

## TABLE OF CONTENTS

basis, the Celgene compensation advisory proposal, except to the extent it results in there being insufficient shares present at the Celgene special meeting to establish a quorum.

### **Stock Ownership of and Voting by Celgene Directors and Executive Officers**

At the close of business on January 29, 2019, Celgene's directors and executive officers and their affiliates beneficially owned and had the right to vote in the aggregate 595,296 shares of Celgene common stock at the Celgene special meeting, which represents approximately less than 1% of the shares of Celgene common stock entitled to vote at the Celgene special meeting.

Each of Celgene's directors and executive officers is expected, as of the date of this joint proxy statement/prospectus, to vote his or her shares of Celgene common stock FOR the proposal to adopt the merger agreement, FOR the Celgene adjournment proposal and FOR the Celgene compensation advisory proposal, although none of Celgene's directors or executive officers has entered into any agreement requiring them to do so.

### **Voting of Shares**

#### *Via the Internet or by Telephone*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, you may vote via the Internet or by telephone by following the instructions on the enclosed proxy card. In order to vote your shares via the Internet or by telephone, you will need the control number on your proxy card (which is unique to each Celgene stockholder to ensure all voting instructions are genuine and to prevent duplicate voting).

If you hold shares of Celgene common stock in street name through a broker, bank or other nominee holder of record, you may provide voting instructions via the Internet or by telephone only if Internet or telephone voting is made available by your broker, bank or other nominee holder of record. Please follow the voting instructions provided by your broker, bank or other nominee holder of record with these materials.

#### *By Mail*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, in order to vote by mail, you may submit a proxy card. You will need to complete, sign and date your proxy card and return it using the postage-paid return envelope provided.

If you hold shares of Celgene common stock in street name through a broker, bank or other nominee holder of record, in order to provide voting instructions by mail you will need to complete, sign and date the voting instruction form provided by your broker, bank or other nominee holder of record with these materials and return it in the postage-paid return envelope provided. Your broker, bank or other nominee holder of record must receive your voting instruction form in sufficient time to vote your shares.

#### *In Person*

If you hold shares of Celgene common stock directly in your name as a stockholder of record, you may vote in person at the Celgene special meeting. Stockholders of record also may be represented by another person at the Celgene special meeting by executing a proper proxy designating that person and having that proper proxy be presented to the judge of election with the applicable ballot at the Celgene special meeting.

If you hold shares of Celgene common stock in street name, meaning through a broker, bank or other nominee holder of record, you must obtain a written legal proxy from that institution and present it to the judge of election with your ballot to be able to vote in person at the Celgene special meeting. To request a legal proxy, please contact your broker, bank or other nominee holder of record.

When a stockholder of record submits a proxy via the Internet or by telephone, his or her proxy is recorded immediately. You are encouraged to register your vote via the Internet or telephone whenever possible. If you submit a proxy via the Internet or by telephone, please do not return your proxy card by mail. If you attend the Celgene special meeting, you may also vote in person, in which case any votes that you previously submitted—whether via the Internet, by telephone or by mail—will be revoked and superseded by any vote that you cast at the Celgene special meeting. Your attendance at the Celgene special meeting alone will not revoke any proxy previously given.

TABLE OF CONTENTS

***By Participants in the Celgene 401(k) Plan***

Participants in the Celgene Corporation 401(k) Plan, which is referred to in this joint proxy statement/prospectus as the Celgene 401(k) Plan, who receive this joint proxy statement/prospectus in their capacity as participants in the Celgene 401(k) Plan are entitled to vote using the enclosed proxy card. The proxy card directs the trustee of the Celgene 401(k) Plan to vote a participant's shares as directed on the card. Shares of Celgene common stock held through the Celgene 401(k) Plan for which the trustee of the Celgene 401(k) Plan does not receive voting instructions will be voted by the trustee pro rata in proportion to the shares of Celgene common stock held through the Celgene 401(k) Plan for which the trustee receives voting instructions unless contrary to ERISA. Broadridge must receive your voting instructions via Internet or telephone by 11:59 p.m. (Eastern Time) on April 9, 2019 or via mail by the close of business on April 9, 2019. You may not vote the shares of Celgene common stock you hold through the Celgene 401(k) Plan at the Celgene special meeting.

***Generally***

If you hold shares of Celgene common stock in street name through a broker, bank or other nominee holder of record, you must obtain a written legal proxy from that institution and present it to the judge of election with your ballot to be able to vote in person at the Celgene special meeting. To request a legal proxy, please contact your broker, bank or other nominee holder of record.

If your shares of Celgene common stock are held in an account at a broker, bank or other nominee holder of record (i.e., in street name), you must instruct the broker, bank or other nominee holder of record on how to vote your shares. Your broker, bank or other nominee holder of record will vote your shares only if you provide instructions on how to vote by filling out the voting instruction form sent to you by your broker, bank or other nominee holder of record with this joint proxy statement/prospectus. Under stock exchange rules, brokers, banks and other nominee holders of record are precluded from exercising their voting discretion with respect to non-routine or significant matters, such as the adoption of the merger agreement, the approval of the Celgene adjournment proposal and the approval of the Celgene compensatory advisory proposal. As a result, absent specific instructions from the beneficial owner of shares of Celgene common stock, broker, banks and other nominees holders of record are not empowered to vote such shares.

Broker non-votes are shares held by a broker, bank or other nominee holder of record with respect to which the broker, bank or other nominee holder of record is not instructed by the beneficial owner of such shares on how to vote on a particular proposal and the broker, bank or other nominee holder of record does not have discretionary voting power on such proposal. Because brokers, banks and other nominee holders of record do not have discretionary voting authority with respect to any of the proposals to be considered at the Celgene special meeting as described in this joint proxy statement/prospectus, if a beneficial owner of shares of Celgene common stock held in street name does not give voting instructions to the broker, bank or other nominee holder of record, then those shares will not be present in person or represented by proxy at the Celgene special meeting.

A beneficial owner's failure to instruct the broker, bank or other nominee holder of record how to vote shares of Celgene common stock held in street name will therefore have the same effect as a vote AGAINST the adoption of the merger agreement. A beneficial owner's failure to instruct the broker, bank or other nominee holder of record how to vote shares of Celgene common stock held in street name will have no effect on the proposal to approve the Celgene adjournment proposal or the proposal to approve, on an advisory (non-binding) basis, the Celgene compensation advisory proposal, except, with respect to the Celgene compensation advisory proposal, to the extent it results in there being insufficient shares present at the Celgene special meeting to establish a quorum.

All shares represented by each properly completed and valid proxy received before or at the Celgene special meeting will be voted in accordance with the instructions given in the proxy. If a Celgene stockholder signs a proxy card and

returns it without giving instructions for voting on any proposal, the shares of Celgene common stock represented by that proxy card will be voted FOR the proposal to adopt the merger agreement, FOR the Celgene adjournment proposal and FOR the Celgene compensation advisory proposal.

**Your vote is very important, regardless of the number of shares you own. Whether or not you expect to attend the Celgene special meeting in person, please vote or otherwise submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Celgene special meeting. If your shares of Celgene common stock are held in the name of a bank, broker or other nominee holder of record, please follow the instructions on the voting instruction form furnished to you by such record holder.**

## TABLE OF CONTENTS

### **Revocability of Proxies; Changing Your Vote**

You may revoke your proxy or change your vote at any time before the closing of the polls at the Celgene special meeting. If you are a Celgene stockholder of record at the record date (the close of business on March 1, 2019), you can revoke your proxy or change your vote by:

- sending a signed notice stating that you revoke your proxy to Celgene Corporation, 86 Morris Avenue, Summit, New Jersey 07901, Attention: Corporate Secretary that bears a date later than the date of the proxy you want to revoke and is received prior to the close of business on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares;
- submitting a valid, later-dated proxy via the Internet or telephone before 11:59 p.m. (Eastern Time) on (i) April 9, 2019 for shares held in the Celgene 401(k) Plan or (ii) April 11, 2019 for all other shares, or by mail that is received prior to (i) the close of business on April 9, 2019 for shares held in the Celgene 401(k) Plan and (ii) the Celgene special meeting for all other shares; or
- attending the Celgene special meeting (or, if the Celgene special meeting is adjourned or postponed, attending the adjourned or postponed meeting) and voting in person, which automatically will cancel any proxy previously given, or revoking your proxy in person, but your attendance at the Celgene special meeting alone will not revoke any proxy previously given.

If you hold your shares in street name through a broker, bank or other nominee holder of record, you must contact your broker, bank or other nominee holder of record to change your vote or obtain a written legal proxy to vote your shares if you wish to cast your vote in person at the Celgene special meeting.

### **Solicitation of Proxies; Expenses of Solicitation**

This joint proxy statement/prospectus is being provided to holders of shares of Celgene common stock in connection with the solicitation of proxies by the Celgene Board to be voted at the Celgene special meeting and at any adjournments or postponements thereof. Celgene will bear all costs and expenses in connection with the solicitation of proxies, including the costs of filing, printing and mailing this joint proxy statement/prospectus for the Celgene special meeting. Celgene has engaged Innisfree M&A Incorporated and Morrow Sodali, LLC to assist in the solicitation of proxies for the Celgene special meeting and will pay Innisfree M&A Incorporated and Morrow Sodali, LLC an initial fee of approximately \$75,000 and \$35,000, respectively, plus additional fees to be determined at the conclusion of the solicitation and reimbursement of reasonable out-of-pocket expenses.

In addition to solicitation by mail, directors, officers and employees of Celgene or its subsidiaries may solicit proxies from stockholders by telephone, telegram, email, personal interview or other means. Celgene currently expects not to incur any costs beyond those customarily expended for a solicitation of proxies in connection with the adoption of a merger agreement. Directors, officers and employees of Celgene will not receive additional compensation for their solicitation activities, but may be reimbursed for reasonable out-of-pocket expenses incurred by them in connection with the solicitation. Brokers, dealers, commercial banks, trust companies, fiduciaries, custodians and other nominees have been requested to forward proxy solicitation materials to their customers, and such nominees will be reimbursed for their reasonable out-of-pocket expenses. Celgene will pay the costs associated with the Celgene special meeting and solicitation of proxies, including the costs of mailing the proxy materials.

### **Householding**

The SEC has adopted a rule concerning the delivery of annual reports and proxy statements. It permits Celgene, with your permission, to send a single notice of meeting and, to the extent requested, a single copy of this joint proxy statement/prospectus to any household at which two or more stockholders reside if they appear to be members of the same family. This rule is called householding, and its purpose is to help reduce printing and mailing costs of proxy

materials. If you are a registered stockholder, please check the appropriate box on your proxy card or select the householding option when you vote by Internet or phone if you would like to participate in Celgene's householding program. Stockholders who participate in householding will continue to receive separate proxy cards, and householding will not affect the mailing of account statements or special notices in any way.

A number of brokerage firms have instituted householding for shares held in street name. If you and members of your household have multiple accounts holding shares of Celgene common stock, you may have received a



## TABLE OF CONTENTS

householding notification from your broker. Please contact your broker directly if you have questions, require additional copies of this joint proxy statement/prospectus or wish to revoke your decision to household. These options are available to you at any time.

### **Adjournment**

Celgene stockholders are being asked to approve a proposal that will give the Celgene Board authority to adjourn the Celgene special meeting one or more times for the purpose of soliciting additional proxies in favor of the adoption of the merger agreement if there are not sufficient votes to adopt the merger agreement at the time of the Celgene special meeting or any adjournment or postponement thereof. If the Celgene adjournment proposal is approved, the Celgene special meeting could be adjourned to any date. In addition, the Celgene Board, with or without stockholder approval, could postpone the Celgene special meeting before it commences, whether for the purpose of soliciting additional proxies or for other reasons. If the Celgene special meeting is adjourned for the purpose of soliciting additional proxies, stockholders who have already submitted their proxies will be able to revoke them at any time prior to their use. If you sign and return a proxy and do not indicate how you wish to vote on any proposal, or if you indicate that you wish to vote in favor of the adoption of the merger agreement but do not indicate a choice on the Celgene adjournment proposal or the Celgene compensation advisory proposal, your shares will be voted in favor of the Celgene adjournment proposal and the Celgene compensation advisory proposal. But if you indicate that you wish to vote against the adoption of the merger agreement, your shares will only be voted in favor of the Celgene adjournment proposal or the Celgene compensation advisory proposal if you indicate that you wish to vote in favor of that proposal.

### **Other Information**

The matters to be considered at the Celgene special meeting are of great importance to the stockholders of Celgene. Accordingly, you are urged to read and carefully consider the information contained in or incorporated by reference into this joint proxy statement/prospectus and submit your proxy via the Internet or by telephone or complete, date, sign and promptly return the enclosed proxy card in the enclosed postage-paid envelope. **If you submit your proxy via the Internet or by telephone, you do not need to return the enclosed proxy card.**

### **Assistance**

**If you need assistance in completing your proxy card or have questions regarding the Celgene special meeting, please contact:**

Innisfree M&A Incorporated  
501 Madison Avenue, 20<sup>th</sup> Floor  
New York, New York 10022  
Telephone (Toll-Free): (877) 750-9497  
International Callers: (412) 232-3651  
Banks and brokers may call collect: (212) 750-5833

or

Celgene Corporation  
86 Morris Avenue  
Summit, New Jersey 07901

Attention: Corporate Secretary

Telephone: (908) 673-9000

92

## TABLE OF CONTENTS

### **CELGENE PROPOSAL I: ADOPTION OF THE MERGER AGREEMENT AND BRISTOL-MYERS SQUIBB PROPOSAL I: APPROVAL OF THE STOCK ISSUANCE**

#### **General**

This joint proxy statement/prospectus is being provided to holders of shares of Celgene common stock in connection with the solicitation of proxies by the Celgene Board to be voted at the Celgene special meeting and at any adjournments or postponements of the Celgene special meeting. At the Celgene special meeting, Celgene will ask its stockholders to vote on (i) a proposal to adopt the merger agreement, (ii) the Celgene adjournment proposal and (iii) the Celgene compensation advisory proposal.

This joint proxy statement/prospectus is being provided to holders of shares of Bristol-Myers Squibb stock in connection with the solicitation of proxies by the BMS Board to be voted at the Bristol-Myers Squibb special meeting and at any adjournments or postponements of the Bristol-Myers Squibb special meeting. At the Bristol-Myers Squibb special meeting, Bristol-Myers Squibb will ask its stockholders to vote on (i) a proposal to approve the stock issuance and (ii) the Bristol-Myers Squibb adjournment proposal.

The merger agreement provides for the merger of Merger Sub with and into Celgene, with Celgene continuing as the surviving corporation and a wholly-owned subsidiary of Bristol-Myers Squibb. **The merger will not be completed and the merger consideration will not be paid unless Celgene stockholders adopt the merger agreement and Bristol-Myers Squibb stockholders approve the stock issuance and the other closing conditions specified in the merger agreement are met.** A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. You are urged to read the merger agreement in its entirety because it is the legal document that governs the merger. For additional information about the merger, see [The Merger Agreement—Structure of the Merger](#) and [The Merger Agreement—Merger Consideration](#) beginning on [pages 171 and 172](#), respectively, of this joint proxy statement/prospectus.

Upon completion of the merger, each share of Celgene common stock will be converted into the right to receive \$50.00 in cash without interest thereon, one share of Bristol-Myers Squibb common stock and one CVR. Based on the number of shares of Celgene common stock outstanding as of January 29, 2019, Bristol-Myers Squibb expects to issue approximately 701,024,507 shares of Bristol-Myers Squibb common stock to Celgene stockholders pursuant to the merger. The actual number of shares of Bristol-Myers Squibb common stock to be issued pursuant to the merger will be determined at completion of the merger based on the number of shares of Celgene common stock outstanding at such time. In addition, shares of Bristol-Myers Squibb common stock may be issued from time to time following the effective time of the merger to holders of Celgene equity awards on the terms set forth in the merger agreement. See [The Merger Agreement—Treatment of Celgene Equity Awards](#) beginning on [page 174](#) of this joint proxy statement/prospectus for a more detailed explanation. Based on the number of shares of Celgene common stock outstanding as of January 29, 2019, and the number of shares of Bristol-Myers Squibb common stock outstanding as of January 24, 2019, it is expected that, immediately after completion of the merger, former Celgene stockholders will own approximately 31% of the outstanding shares of Bristol-Myers Squibb common stock.

#### **Background of the Merger**

Members of management and the board of directors of each of Celgene and Bristol-Myers Squibb regularly review and assess their respective company's performance and operations, financial condition, and industry and regulatory developments in the context of each company's long-term strategic goals and plans. These reviews have included consideration, from time to time, of potential opportunities to enhance stockholder value, including potential strategic acquisitions and divestitures, collaborations, investments and other strategic transactions and opportunities. In the case of Bristol-Myers Squibb, potential strategic considerations, including transactions with Celgene, were reviewed from

time to time with its financial advisors, including Morgan Stanley and Moelis & Company. These reviews also have included consideration of whether such potential opportunities to enhance stockholder value would further each company's strategic objectives and its ability to serve patients, as well as the potential benefits and risks of those transactions in light of, among other things, each company's competitive position and the business and regulatory environment faced by each company (including developments in the biopharmaceutical industry).

In early 2017, members of Celgene management and members of Bristol-Myers Squibb management engaged in preliminary discussions regarding a possible stock for stock merger of equals between the two companies. In

TABLE OF CONTENTS

connection with these discussions, Bristol-Myers Squibb and Celgene entered into a mutual confidentiality agreement on April 4, 2017 to enable the sharing of limited, initial diligence materials between the companies. However, following these exploratory conversations and prior to commencing full due diligence, in June 2017 the parties decided to end further consideration of the potential transaction, and accordingly ceased discussions relating thereto.

On June 14, 2018, the BMS Board held a regularly scheduled meeting, with members of Bristol-Myers Squibb management in attendance. At this meeting, members of the BMS Board and management discussed potential strategic business development plans and opportunities, including potential strategic transactions. At the conclusion of the meeting, the BMS Board determined to revisit the evaluation of strategic business development plans and opportunities and discuss at a regularly scheduled meeting of the BMS Board in September potential next steps and directed members of Bristol-Myers Squibb management to, in conjunction with appropriate external advisors, continue the evaluation of potential strategic business development plans and opportunities, including potential strategic transactions.

On September 11 and 12, 2018, the BMS Board held a regularly scheduled meeting, with members of Bristol-Myers Squibb management in attendance on both days and representatives of Morgan Stanley, one of Bristol-Myers Squibb's financial advisors in connection with the potential transaction, in attendance on September 12, 2018. At these meetings, members of Bristol-Myers Squibb management and representatives of Morgan Stanley provided to the BMS Board an update on the ongoing evaluation of potential strategic business development plans and opportunities, which included a potential strategic transaction involving the acquisition of Celgene. As part of this discussion, the BMS Board discussed the strategic rationale of a potential acquisition of Celgene, and members of Bristol-Myers Squibb management and Morgan Stanley discussed with the BMS Board preliminary financial analyses related to a potential acquisition of Celgene based on publicly available information. The BMS Board discussed the potential of making an acquisition proposal to Celgene and the range of aggregate values of such a proposal. After discussion, the BMS Board determined that it was advisable to continue to explore a potential acquisition of Celgene and, in connection therewith, authorized and directed Giovanni Caforio, M.D., Chairman and Chief Executive Officer of Bristol-Myers Squibb, to approach Mr. Mark Alles, Chairman and Chief Executive Officer of Celgene, to propose a potential transaction in which Bristol-Myers Squibb would acquire Celgene and Celgene stockholders would receive cash and Bristol-Myers Squibb common stock. The BMS Board granted Dr. Caforio the discretion to determine the specific aggregate value per share for purposes of the initial acquisition proposal, as well as the mix of cash and Bristol-Myers Squibb common stock comprising the aggregate value per share.

Following the discussion with the BMS Board on September 11 and 12, 2018, and continuing through the next regularly scheduled meeting of the BMS Board on December 5, 2018, members of Bristol-Myers Squibb management, with the assistance of its advisors, conducted a thorough due diligence review of Celgene on the basis of publicly available information. This assessment focused on key value drivers, including technical, regulatory, intellectual property and commercial matters for individual assets, functional and operational capabilities, organizational structure, and the evolving landscape in each of Celgene's therapeutic areas, as well as identified key areas for further focus if Celgene were to agree to a confidential due diligence process.

On September 13, 2018, Dr. Caforio contacted Mr. Alles to request a meeting. Subsequently, on September 21, 2018, Mr. Alles met with Dr. Caforio for dinner, during which Dr. Caforio proposed and provided a written presentation outlining a potential transaction in which Bristol-Myers Squibb would acquire Celgene and Celgene stockholders would receive cash and Bristol-Myers Squibb common stock with an aggregate value of \$110 per share. Dr. Caforio also indicated to Mr. Alles that the proposal was subject to review and completion of due diligence on Celgene and negotiation of mutually acceptable definitive agreements. Dr. Caforio did not convey to Mr. Alles during the meeting a specific proposed split between cash and stock, or the manner in which the stock consideration would be converted into an exchange ratio, but Dr. Caforio noted that Bristol-Myers Squibb was contemplating that the stock portion of the consideration would provide Celgene stockholders with ownership in the combined company in the mid-30

percent range. Based on the closing price of Bristol-Myers Squibb common stock of \$61.75 and Celgene common stock of \$88.30 on September 20, 2018, the day prior to the receipt of the proposal, and assuming that the exchange ratio would provide Celgene stockholders with approximately

TABLE OF CONTENTS

35% ownership of the combined company, the cash portion of the consideration in the proposal was implied to be approximately \$35 per share. The \$110 aggregate value per share represented a premium of approximately 25% when compared to the \$88.30 per share closing price of Celgene common stock on September 20, 2018, the day prior to the receipt of the proposal.

On September 25, 2018, Mr. Alles met with the Executive Committee of the Celgene Board to discuss the proposal received from Bristol-Myers Squibb. The Executive Committee agreed that the proposal would be discussed in more detail at the next regularly scheduled meeting of the Celgene Board on October 16 and 17, 2018.

On October 1, 2018, Mr. Alles contacted Dr. Caforio to inform him that the Celgene Board would discuss the September 21 proposal at its upcoming meeting later that month. The following day, after providing the BMS Board on October 1, 2018 with an update of his discussion with Mr. Alles, Dr. Caforio sent an e-mail to Mr. Alles reaffirming the proposal and requesting access to due diligence.

On October 8, 2018, the Celgene Board held a special meeting, with members of Celgene management in attendance. Mr. Alles updated the Celgene Board regarding the proposal from Bristol-Myers Squibb, and told the Celgene Board that the proposal, as well as Celgene's long-range strategic plan, would be discussed in more detail the following week during the regularly scheduled meeting of the Celgene Board on October 16 and 17, 2018.

On October 14, 2018, Dr. Caforio sent an e-mail to Mr. Alles in advance of the planned Celgene Board meeting reaffirming that, notwithstanding the recent volatility in the market prices of Celgene common stock and Bristol-Myers Squibb common stock, Bristol-Myers Squibb remained interested in pursuing a potential transaction on the terms previously proposed. The price of both Celgene common stock and of Bristol-Myers Squibb common stock had declined since September 21, 2018, with the closing price of Celgene common stock on October 12, 2018 (the last trading day prior to the e-mail) being \$82.58 per share, and the closing price of Bristol-Myers Squibb common stock on that day being \$57.51 per share.

On October 16, 2018, the Celgene Board met and reviewed and discussed Celgene's long-range strategic plan and outlook presented by members of Celgene management. The Celgene Board meeting continued the following day, with representatives of J.P. Morgan Securities LLC (which is referred to in this joint proxy statement/prospectus as J.P. Morgan), financial advisor to Celgene, and Wachtell, Lipton, Rosen & Katz, which is referred to in this joint proxy statement/prospectus as Wachtell Lipton, Celgene's legal counsel, in attendance. Members of Celgene management and representatives of J.P. Morgan provided an overview of the terms of the Bristol-Myers Squibb proposal, as well as preliminary analyses relating to valuation, including those based on the financial information prepared by members of Celgene management in connection with Celgene's long-range strategic plan. Members of Celgene management also noted certain near-term events that they expected would be positive developments for the company, including the announcement later that month of Celgene's earnings results for the third quarter of 2018 and Celgene's expected presentations for the Annual Meeting of the American Society of Hematology, which is referred to in this joint proxy statement/prospectus as ASH, in December 2018. Representatives of Wachtell Lipton advised the Celgene Board regarding the directors' fiduciary duties. Following discussion, the Celgene Board unanimously determined that, notwithstanding the potential strategic merit of a combination between Bristol-Myers Squibb and Celgene, the terms outlined by Bristol-Myers Squibb did not at that time provide the Celgene stockholders with sufficient value and, therefore, did not provide a basis to proceed to due diligence with Bristol-Myers Squibb. The Celgene Board further agreed that the Executive Committee of the Celgene Board should monitor and instruct members of Celgene management on behalf of the Celgene Board regarding subsequent interactions with Bristol-Myers Squibb, and that the full Celgene Board would be convened as appropriate.

On October 18, 2018, Mr. Alles called Dr. Caforio to convey the Celgene Board's determination. Dr. Caforio asked if the Celgene Board had concerns regarding the strategic fit between the two companies, the potential mix of cash and

stock, the structure of the proposed transaction, social issues or any other factor beyond value. Mr. Alles reported that Celgene's response substantially reflected the Celgene Board's belief that the terms outlined by Bristol-Myers Squibb did not provide sufficient value at that time to Celgene stockholders, but acknowledged the strategic merit and logic of a potential transaction between the companies.

On October 31, 2018, at Dr. Caforio's request, Dr. Caforio and Mr. Alles met, during which the two discussed recent events for both companies and in the biopharmaceutical industry generally, including the recent decline in



TABLE OF CONTENTS

the stock prices of biopharmaceutical companies, including both Bristol-Myers Squibb and Celgene. Dr. Caforio and Mr. Alles discussed the impact of these events on a potential transaction between the companies, as well as certain upcoming events for Celgene. Dr. Caforio suggested that he would contact Mr. Alles regarding the potential transaction in early December 2018 following Celgene's presentation of clinical data at ASH.

Between October 31, 2018 and December 5, 2018, members of Bristol-Myers Squibb and Bristol-Myers Squibb's external advisors, in coordination with the BMS Board, continued to analyze the potential transaction with Celgene and the possible terms of a revised proposal, which included the preparation of an update to the long-term financial plan for Bristol-Myers Squibb. During this period of time and afterward, members of Celgene management, with the assistance of its advisors, conducted a thorough due diligence review of Bristol-Myers Squibb on the basis of publicly available information. This assessment focused on key value drivers, including technical, regulatory, intellectual property and commercial matters for individual assets, functional and operational capabilities, organizational structure and therapeutic areas, as well as identified key areas for further focus if the parties were to engage in a confidential due diligence process.

On November 15, 2018, Dr. Caforio called Mr. Alles and informed him that Bristol-Myers Squibb was preparing a revised proposal for the acquisition of Celgene, and that he hoped to be in a position to present this proposal to Mr. Alles on December 5, 2018, following the next regularly scheduled meeting of the BMS Board. During this conversation, Dr. Caforio requested the ability to conduct, prior to the upcoming BMS Board meeting on December 5, 2018, limited due diligence relating to certain Celgene intellectual property to help inform Bristol-Myers Squibb's revised proposal.

On November 16, 2018, the Executive Committee of the Celgene Board met with Mr. Alles to discuss Bristol-Myers Squibb's request for limited due diligence relating to certain Celgene intellectual property and determined that it would be appropriate to allow Bristol-Myers Squibb to conduct this limited due diligence, but that Celgene also should request the ability to conduct limited reverse due diligence on certain Bristol-Myers Squibb intellectual property because these assets could affect the value of a potential transaction for Celgene's stockholders.

On November 19, 2018, Mr. Alles called Dr. Caforio to convey the Executive Committee's determination and, on November 20, 2018, Dr. Caforio contacted Mr. Alles to inform Mr. Alles that Bristol-Myers Squibb was willing to proceed on that basis with mutual limited due diligence.

On November 23, 2018, Celgene and Bristol-Myers Squibb entered into a mutual confidentiality agreement, which included mutual standstill provisions that would terminate with respect to either party if such party were to enter into a definitive agreement with a third party providing for a change-of-control transaction.

In late November 2018, Bristol-Myers Squibb began working with Morgan Stanley regarding the debt financing that it intended to obtain in connection with the potential transaction. During the period from that time through signing of the merger agreement, Bristol-Myers Squibb engaged in ongoing discussions with Morgan Stanley and negotiated the terms of a commitment letter with Morgan Stanley Senior Funding, Inc., which is referred to in this joint proxy statement/prospectus as MSSF, and MUFG Bank, Ltd., which is referred to in this joint proxy statement/prospectus as MUFG, for a bridge loan facility to finance the cash portion of the consideration payable in the proposed transaction.

During a meeting on November 28, 2018 and in subsequent teleconferences, members of management of each of Bristol-Myers Squibb and Celgene reviewed intellectual property matters with respect to the other company.

On December 5, 2018, the BMS Board held a regularly scheduled meeting, with members of Bristol-Myers Squibb management and representatives of Kirkland & Ellis, outside legal advisor to Bristol-Myers Squibb, Morgan Stanley, Evercore, Dyal Co. and Joele Frank, public relations advisor to Bristol-Myers Squibb, in attendance. At this meeting,

Dr. Caforio provided the BMS Board with an update on discussions with Celgene to date, as well as the strategic benefits of a potential transaction with Celgene, including as compared to other strategic alternatives available to Bristol-Myers Squibb, and an update on certain strategic initiatives of Bristol-Myers Squibb. Representatives of Kirkland & Ellis then advised the BMS Board regarding directors' fiduciary duties, which included an overview of directors' fiduciary duties when considering a potential transaction with Celgene. Representatives of Kirkland & Ellis also reviewed with the BMS Board preliminary disclosure that had been provided by each of Morgan Stanley, Evercore and Dyal Co. prior to the meeting with respect to any material relationships with either Bristol-Myers Squibb or Celgene. The BMS Board determined

TABLE OF CONTENTS

that such relationships or engagements would not interfere with the respective financial advisors' abilities to provide financial advisory services to Bristol-Myers Squibb. Members of Bristol-Myers Squibb management then provided an overview of preliminary due diligence findings based on the intellectual property information provided to date by Celgene, including how these findings relate to certain key Celgene products and pipeline products. Members of Bristol-Myers Squibb management also presented their findings from their assessment of Celgene's pipeline assets based on publicly available information. Representatives of Morgan Stanley, Evercore and Dyal Co., together with members of Bristol-Myers Squibb management, discussed with the BMS Board certain preliminary financial analyses and other considerations related to the potential transaction, including those based on the updated long-term financial plan that was reviewed with the BMS Board by members of Bristol-Myers Squibb management. In connection with their review of the updated long-term financial plan, Bristol-Myers Squibb's management and the BMS Board discussed potential upside variables that were not reflected in the projections. The BMS Board, together with members of Bristol-Myers Squibb management and certain external advisors in attendance, then discussed potential frameworks for a revised proposal and related analyses. Representatives of Kirkland & Ellis then reviewed with the BMS Board key terms of a draft merger agreement related to the transaction. Following further discussion of these matters, the BMS Board determined that it was advisable to continue the exploration and pursuit of a possible acquisition of Celgene and in connection therewith authorized and directed Dr. Caforio to make a proposal to Mr. Alles of up to \$110 per share of Celgene common stock (including a significant increase to the cash portion of the proposed merger consideration). The BMS Board further determined that a proposal could consist of a range of cash and stock consideration amounting to an aggregate value of up to \$110 per share, including a higher cash component than had been previously proposed, and authorized and directed Dr. Caforio to propose a mix of cash and stock consideration within this range that equated to an aggregate value of up to \$110 per share of Celgene common stock.

On December 5, 2018, following the meeting of the BMS Board, Dr. Caforio sent a letter to Mr. Alles proposing a transaction in which Bristol-Myers Squibb would acquire Celgene for \$55.00 in cash and 0.930 of a share of Bristol-Myers Squibb common stock, for each share of Celgene common stock. The letter indicated that the proposal was subject to completion of due diligence and negotiation of mutually acceptable definitive agreements. The letter also noted that the revised proposal represented an increase in aggregate value, as well as an increase in the cash component. The letter requested immediate progression to full due diligence, and indicated a strong desire to announce a transaction by January 2, 2019 given the significant risks to both companies, as well as the risk of not being able to reach agreement on a mutually beneficial transaction, if there were a leak relating to discussions between the parties. The letter also proposed that two current members of the Celgene Board would be added to the BMS Board upon the closing of the transaction. Assuming that each share of Bristol-Myers Squibb common stock had a value of \$52.03, which was the closing price of Bristol-Myers Squibb common stock on December 4, 2018 (the last trading day prior to the date of the letter), the proposal represented an aggregate value of \$103.39 per share of Celgene common stock, whereas the September 21 proposal represented an aggregate value of approximately \$98 per share of Celgene common stock (based on the assumptions described above in regard to the September 21 proposal). The closing price of Celgene common stock on December 4, 2018 was \$72.47 per share, resulting in a premium of approximately 43% for the revised proposal and a premium of approximately 35% for the September 21 proposal.

On December 6, 2018, the Celgene Board held a meeting, with members of Celgene management and representatives of Wachtell Lipton in attendance. Members of Celgene management provided an overview of the revised proposal from Bristol-Myers Squibb, including the request for immediate progression to full due diligence and desire to announce a transaction by January 2, 2019. During the discussion, members of Celgene management also noted certain market and industry developments that had occurred since the prior meeting of the Celgene Board, including the decline in the stock prices of both Bristol-Myers Squibb common stock and Celgene common stock, the general decline in the stock prices of biopharma peers and other macroeconomic dynamics faced by the industry generally. Members of Celgene management then presented certain financial analyses of the transaction terms proposed by Bristol-Myers Squibb, including those based on the financial information underlying Celgene's long-range strategic plan. Members of Celgene management also outlined certain financial aspects of the revised proposal, including as

compared to Bristol-Myers Squibb's previous proposal, considerations related to the relative mix of cash and Bristol-Myers Squibb stock reflected in the proposal, the value of the proposal and premium represented by the proposal relative to current and historical Celgene and Bristol-Myers Squibb stock prices, and the potential value creation of the combined company.

TABLE OF CONTENTS

Members of Celgene management and the Celgene Board discussed that, for purposes of comparing the revised proposal to Bristol-Myers Squibb's original proposal, if each Bristol-Myers Squibb share had a value equal to the Bristol-Myers Squibb closing price on September 20, 2018 (the day before the original proposal), the revised proposal of \$55.00 in cash and 0.930 of a share of Bristol-Myers Squibb common stock would represent an aggregate value of \$112.43 per share, as compared to the original proposal of \$110.00 per share. Representatives of Wachtell Lipton advised the Celgene Board regarding the directors' fiduciary duties. Following discussion, the Celgene Board unanimously determined that, although there may be strategic merit to a combination between Celgene and Bristol-Myers Squibb, the revised proposal was not sufficiently attractive from the perspective of Celgene's stockholders and did not provide a basis for the companies to reach an agreement. The Celgene Board also instructed Mr. Alles to communicate the determination of the Celgene Board to Dr. Caforio and agreed that Mr. Alles could communicate with the Executive Committee of the Celgene Board regarding any subsequent discussions with Bristol-Myers Squibb.

On December 8, 2018, Mr. Alles contacted Dr. Caforio to communicate that the Celgene Board determined the revised proposal continued to undervalue Celgene. Dr. Caforio and Mr. Alles then agreed to meet on December 10, 2018 to further discuss a potential transaction between the companies.

On December 10, 2018, Dr. Caforio and Mr. Alles met and discussed terms of a potential transaction. During the course of these discussions, Dr. Caforio made a verbal proposal to acquire Celgene for an aggregate value of \$108 per share, with the consideration to be composed of one share of Bristol-Myers Squibb common stock (up from the 0.930 exchange ratio previously proposed by Bristol-Myers Squibb) and \$55 in cash. Dr. Caforio indicated to Mr. Alles that such proposal was subject to completion of due diligence of Celgene and negotiation of mutually acceptable definitive agreements. Mr. Alles conveyed to Dr. Caforio that, based on feedback at the prior Celgene Board meeting, he did not believe that the Celgene Board would accept the proposal, reminding Dr. Caforio that the Celgene Board had previously rejected a proposal in October with a headline value of \$110 at that time and noting that reaching a definitive agreement by January 2, 2019 would be difficult. Dr. Caforio then made a further revised verbal proposal to Mr. Alles to acquire Celgene for one share of Bristol-Myers Squibb common stock and \$57 in cash for each share of Celgene common stock. Dr. Caforio indicated that this proposal was subject to the approval of the BMS Board and, like the other proposals discussed, completion of due diligence of Celgene and negotiation of mutually acceptable definitive agreements. Assuming that each share of Bristol-Myers Squibb common stock had a value of \$53.08, which was the closing price of Bristol-Myers Squibb common stock on December 7, 2018 (the last trading day prior to the proposal), the proposal represented an aggregate value of \$110.08 per Celgene share. The closing price of Celgene common stock on December 7, 2018 was \$70.08 per share. Therefore, the aggregate value of \$110.08 per share represented a premium of approximately 57% when compared to this closing price. Dr. Caforio also reiterated the importance of signing an agreement by January 2, 2019 and commencing full mutual due diligence. Mr. Alles conveyed that he would communicate the revised proposal to the Celgene Board.

Later in the day on December 10, 2018, the BMS Board held a special meeting, with members of Bristol-Myers Squibb management in attendance. At this meeting, Dr. Caforio provided an update to the BMS Board on the potential transaction with Celgene, including the revised proposal Dr. Caforio provided to Mr. Alles earlier that day (which was subject to review and approval by the BMS Board). The BMS Board indicated its support for the proposal made by Dr. Caforio to Mr. Alles earlier in the day.

Following the meeting, on December 10, 2018, Dr. Caforio sent Mr. Alles a letter confirming Bristol-Myers Squibb's revised proposal in which Celgene stockholders would receive one share of Bristol-Myers Squibb common stock and \$57 in cash for each share of Celgene common stock.

On December 10, 2018, the Executive Committee of the Celgene Board met to discuss the revised proposal. The Executive Committee determined that the proposal warranted further consideration by the full Celgene Board and

authorized members of Celgene management to engage with their counterparts at Bristol-Myers Squibb on a mutual due diligence exercise.

Over the next several days, members of management of the two companies made arrangements to begin a mutual due diligence process. On December 13, 2018, members of management of the two companies held mutual due diligence sessions in New York City, which were also attended by certain advisors of Bristol-Myers Squibb and Celgene. Bristol-Myers Squibb and Celgene each made available to the other, and each other's representatives, due diligence information regarding itself and its business, including via upload of documentation to a data room,

TABLE OF CONTENTS

which was opened on December 16, 2018. From December 13, 2018 until January 2, 2019, each company and its representatives continued their respective due diligence investigation of the other company and its business. The due diligence activities included data room reviews, in-person meetings, conference calls and other interactions between Bristol-Myers Squibb and Celgene management teams by function, covering technical, regulatory, commercial, manufacturing, intellectual property, legal, organizational, human resources, and financial matters. Due diligence findings, including risks and upside opportunities, were reviewed by members of management of each of Bristol-Myers Squibb and Celgene with their respective boards of directors to help inform the strategic merits and financial analyses of the potential transaction.

On December 13 and 14, 2018, members of Bristol-Myers Squibb management met with representatives from two credit ratings agencies to discuss the potential transaction.

On December 14, 2018, the Celgene Board held a special meeting to discuss the revised proposal from Bristol-Myers Squibb, with members of Celgene management and representatives of J.P. Morgan, Citigroup Global Markets Inc., which is referred to in this joint proxy statement/prospectus as Citigroup, also a financial advisor to Celgene, and Wachtell Lipton in attendance. Members of Celgene management provided an overview of the revised proposal, including Bristol-Myers Squibb's focus on announcing a transaction by January 2, 2019, and an update on full mutual due diligence. Members of Celgene management discussed with the Celgene Board the strategic rationale of the potential transaction, noting the strategic and industrial fit between the two companies. Members of Celgene management also outlined certain financial aspects of the revised proposal, initial findings from due diligence and the potential value creation of the combined company. Members of Celgene management also discussed other developments, including the decline in the prices of both Bristol-Myers Squibb common stock and Celgene common stock and the general decline in the stock prices of biopharma peers. They discussed how these dynamics could affect possible outcomes and risks with respect to Celgene's most significant pipeline products and Celgene's long-range strategic plan. Members of Celgene management and the Celgene Board also discussed how the revised proposal compared to the prior Bristol-Myers Squibb proposals. They discussed that the revised proposal, when compared to Bristol-Myers Squibb's prior proposal on December 5, included both an increase in the stock portion of the consideration (from 0.930 of a share of Bristol-Myers Squibb common stock to one share of Bristol-Myers Squibb common stock) and an increase in the cash portion of the consideration (from \$55 in cash to \$57 in cash). In addition, they discussed that, for purposes of comparing the revised proposal to Bristol-Myers Squibb's original proposal, the revised proposal of \$57.00 in cash and one share of Bristol-Myers Squibb common stock—if each Bristol-Myers Squibb share had a value equal to the Bristol-Myers Squibb closing price on September 20, 2018 (the day before the original proposal)—would have an aggregate value of \$118.75 per share, as compared to the original proposal of \$110.00 per share.

Representatives of Wachtell Lipton provided an overview of the directors' fiduciary duties when reviewing strategic alternatives. Members of Celgene management, together with Celgene's financial and legal advisors, then discussed with the Celgene Board potential responses to the revised proposal, including considerations relating to possible outreach to other potentially interested parties based on, among other things, the industry and market knowledge and experience of management, the directors and Celgene's financial advisors. Following discussion, the Celgene Board determined that members of Celgene management should continue discussions with Bristol-Myers Squibb regarding a potential transaction on the basis of Bristol-Myers Squibb's revised proposal. The Celgene Board also determined that outreach to multiple parties could present meaningful risks and, accordingly, concluded that the Executive Committee of the Celgene Board, with advice from members of Celgene management and Celgene's financial advisors, should determine whether to make any market outreach and, if so, to whom, taking into consideration these risks and the very limited number of parties that the directors believed had the scale and similar strategic focus to enable them to present a proposal that could be competitive with Bristol-Myers Squibb's revised proposal.

Later in the day on December 14, 2018, Dr. Caforio and Mr. Alles spoke by telephone. During this conversation, Mr. Alles advised Dr. Caforio that members of Celgene management and its external advisors had been authorized by the Celgene Board to continue discussions with Bristol-Myers Squibb on the basis of the revised proposal and that they were aligned with the goal of trying to reach a definitive agreement by January 2, 2019. During this conversation, Dr. Caforio communicated to Mr. Alles that the current proposal, which would provide Celgene stockholders with one share of Bristol-Myers Squibb common stock and \$57 in cash per Celgene share, represented Bristol-Myers Squibb's best and final offer.



TABLE OF CONTENTS

Later that day, on behalf of Bristol-Myers Squibb, Kirkland & Ellis provided an initial draft merger agreement to Wachtell Lipton, on behalf of Celgene. The draft merger agreement included, among other things, a provision that either company's board of directors would be permitted to change its recommendation to stockholders in favor of the transaction in response to a superior proposal but would not be able to unilaterally terminate the merger agreement in these circumstances. It also provided that each party would be required to pay the other party a termination fee equal to 3.75% of the transaction equity value if the merger agreement were terminated in specified circumstances, including in connection with a change of recommendation by a party's board of directors. The draft merger agreement included a covenant requiring Bristol-Myers Squibb to divest assets or take similar actions if necessary to obtain regulatory approvals so long as doing so would not have a material adverse effect on either party. The draft merger agreement included a material adverse effect provision that would allow a party to not close the transaction if the other party experienced a material adverse effect, and the definition of material adverse effect had certain exclusions for, among other things, macroeconomic and industry events. In addition, the draft agreement provided that two of Celgene's directors, to be mutually agreed between Celgene and Bristol-Myers Squibb, would be added upon the closing of the transaction to the BMS Board.

On December 16, 2018, the Executive Committee of the Celgene Board met to discuss potential outreach to other parties that could potentially be interested in a strategic transaction with Celgene. The Executive Committee considered various factors, including the risks posed by outreach to multiple parties, current market dynamics, potential for strategic fit, and ability to consummate, and likely interest in, a transaction with Celgene on terms that would be competitive with Bristol-Myers Squibb's current proposal. Following discussion, the Executive Committee determined that an inquiry should be made to Party A, a large publicly traded pharmaceutical company, which, in the view of the Executive Committee of the Celgene Board, was the only company that potentially would have a strategic fit with Celgene that was as strong as that between Celgene and Bristol-Myers Squibb, as well as the scale to enable it to present a proposal that could be competitive with Bristol-Myers Squibb's revised proposal, if desired.

On December 17, 2018, at the direction of and on behalf of Celgene, a representative of J.P. Morgan contacted the chief executive officer of Party A, explained that Celgene was considering a change-of-control transaction and asked if Party A would be interested in presenting a proposal.

On December 18, 2018, the chief executive officer of Party A contacted the representative of J.P. Morgan and indicated that Party A had determined not to make a proposal for a potential strategic transaction with Celgene.

Later that day, on December 18, 2018, Mr. Alles informed the Executive Committee of the Celgene Board of Party A's response. In light of the Executive Committee's view that no company was likely to have both a strategic fit with Celgene that was as strong as that between Celgene and Bristol-Myers Squibb, as well as the scale to match or exceed the consideration offered by Bristol-Myers Squibb, the Executive Committee determined that outreach to additional parties presented a significant unfavorable risk of a leak that would be damaging to Celgene and the prospects of a transaction with Bristol-Myers Squibb, and therefore would not be advisable.

On December 19, 2018, Wachtell Lipton, on behalf of Celgene, sent a revised draft of the merger agreement to Kirkland & Ellis, on behalf of Bristol-Myers Squibb. The revised draft provided, among other things, that each company's board of directors would be permitted to terminate the merger agreement in order to enter into a transaction providing for a superior proposal. It also reduced the termination fee that Celgene would be required to pay to Bristol-Myers Squibb if the merger agreement were terminated in specified circumstances from 3.75% of the equity transaction value to 2.0% of the equity transaction value. The draft merger agreement included a covenant requiring Bristol-Myers Squibb to divest assets or take similar actions if necessary to obtain regulatory approvals so long as doing so would not have a material adverse effect on the combined company after giving effect to the Celgene acquisition. Furthermore, the draft revised the material adverse effect definition applicable to Celgene to exclude any adverse development or events with respect to any of Celgene's existing or pipeline products. The revised draft

agreement further provided that three (instead of two) of Celgene's directors would be added upon the closing of the transaction to the BMS Board.

On December 21, 2018, the Celgene Board held a special meeting, with members of Celgene management and representatives of J.P. Morgan, Citigroup and Wachtell Lipton in attendance. Mr. Alles, together with representatives of J.P. Morgan and Citigroup, updated the Celgene Board with respect to the Executive

100

TABLE OF CONTENTS

Committee's consideration of conducting outreach to potentially interested parties and the inquiry to, and response from, Party A, and on the due diligence process. Representatives of Wachtell Lipton provided an overview of the directors' fiduciary duties when reviewing strategic alternatives. Following discussion, the Celgene Board determined that in light of, among other things, the response from Party A, the limited universe of additional potential counterparties with similar strategic fit as Bristol-Myers Squibb or the size and strategic interest to complete a transaction on attractive terms, and the risk that additional outreach could cause a leak or otherwise jeopardize the potential transaction with Bristol-Myers Squibb, further outreach to other companies should not be made at that time. The Celgene Board also determined that members of Celgene management should continue discussions with Bristol-Myers Squibb.

On December 24, 2018, Kirkland & Ellis, on behalf of Bristol-Myers Squibb, sent a revised draft of the merger agreement to Wachtell Lipton, on behalf of Celgene. The revised draft reverted to Bristol-Myers Squibb's position on several of the open items, including providing that either company's board of directors would be permitted to change its recommendation to stockholders in favor of the transaction in response to a superior proposal but would not be able to unilaterally terminate the merger agreement in these circumstances; the material adverse effect provision would not exclude any adverse development or events with respect to Celgene's existing or pipeline products; and only two of the Celgene directors would join the board of directors of the combined company. In addition, the draft agreement provided that each party would be required to pay the other party a termination fee equal to 3.25% of the equity transaction value if the merger agreement were terminated in specified circumstances, including in connection with a change in recommendation by a party's board of directors.

On December 27, 2018, Wachtell Lipton, on behalf of Celgene, sent a revised draft of the merger agreement to Kirkland & Ellis, on behalf of Bristol-Myers Squibb. The revised draft provided, among other things, that each company's board of directors would be permitted to terminate the merger agreement in order to enter into a transaction providing for a superior proposal. It also provided that the termination fee that Celgene would be required to pay to Bristol-Myers Squibb if the merger agreement were terminated in specified circumstances would be equal to 2.5% of the equity transaction value, and the termination fee that Bristol-Myers Squibb would be required to pay to Celgene if the merger agreement were terminated in specified circumstances would be equal to 3.0% of the equity transaction value. Furthermore, the material adverse effect definition applicable to each party excluded any adverse regulatory or clinical development or events with respect to each party's pipeline products.

On December 27, 2018, the BMS Board held a special meeting, with members of Bristol-Myers Squibb management and representatives of Kirkland & Ellis, Morgan Stanley, Evercore, and Dyal Co. in attendance. At this meeting, the BMS Board received an update from members of Bristol-Myers Squibb management on the potential transaction with Celgene, including the ongoing discussions with Celgene. Members of Bristol-Myers Squibb management and representatives of Morgan Stanley, Evercore and Dyal Co. reviewed with the BMS Board the results of due diligence conducted to date, as well as recent market developments and conditions since the prior proposal, including stock price declines of Celgene common stock as compared to Bristol-Myers Squibb common stock. Following the discussion, the BMS Board, together with members of Bristol-Myers Squibb management and representatives of Morgan Stanley, Evercore, and Dyal Co., discussed the potential of making a revised proposal and the potential terms and range of aggregate values of such a proposal. This discussion of a revised proposal included a discussion involving the introduction of a CVR component to the merger consideration for purposes of bridging a reduction in the upfront aggregate value per share. Following further discussions on these matters, the BMS Board authorized and directed Dr. Caforio to convey to Mr. Alles that Bristol-Myers Squibb was unwilling to proceed on the terms of the December 10, 2018 proposal, but Bristol-Myers Squibb was willing to proceed with a revised proposal consisting of \$50 in cash, one share of Bristol-Myers Squibb common stock and a CVR component that would pay up to \$8 per share of Celgene common stock in the event that certain milestones were achieved following the closing.

On December 27, 2018, Dr. Caforio and Mr. Alles met at the request of Dr. Caforio. Dr. Caforio explained that Bristol-Myers Squibb was no longer willing to agree to merger consideration consisting of \$57 in cash and one share of Bristol-Myers Squibb common stock. Dr. Caforio further communicated that Bristol-Myers Squibb would be willing to proceed with a revised proposal consisting of \$50 in cash and one share of Bristol-Myers Squibb common stock, subject to the completion of Celgene due diligence and finalization of mutually acceptable definitive agreements. Based on the closing price of Bristol-Myers Squibb common stock on

101

TABLE OF CONTENTS

December 27, 2018 of \$50.41 (the closing price of Bristol-Myers Squibb common stock on that day), the proposal represented an aggregate value of \$100.41 per Celgene share. The closing price of Celgene common stock on December 27, 2018 was \$62.81 per share. Therefore, the aggregate value of \$100.41 per share represented a premium of approximately 60% when compared to this closing price. Dr. Caforio also explained that Bristol-Myers Squibb was willing to include some form of CVR component to the merger consideration that would pay up to \$8 in cash in the event that certain milestones were achieved following the closing. Mr. Alles explained that he would need to discuss the revised proposal with the Celgene Board.

On December 28, 2018, members of Celgene and Bristol-Myers Squibb management discussed and negotiated the terms of a possible CVR, including the amount that could be payable under the CVR and the milestones that needed to be achieved prior to the making of such payments. Members of Celgene management proposed to members of Bristol-Myers Squibb management that the CVR could pay up to \$10, with \$2 payable upon FDA approval of each of Celgene's five near-term, late-stage pipeline assets.

On December 28, 2018, the Celgene Board held a special meeting with members of Celgene management and representatives of J.P. Morgan, Citigroup and Wachtell Lipton in attendance. Members of Celgene management presented and reviewed Bristol-Myers Squibb's revised proposal and updated the Celgene Board on the status of negotiations between the companies regarding the CVR. Representatives of Wachtell Lipton also reviewed with the Celgene Board disclosure that had been provided by each of J.P. Morgan and Citigroup prior to the meeting with respect to any material relationships with either Bristol-Myers Squibb or Celgene. Members of Celgene management and the Celgene Board also discussed that, for purposes of comparing the revised proposal to Bristol-Myers Squibb's original proposal, the revised proposal of \$50.00 in cash, one share of Bristol-Myers Squibb common stock and one CVR—if each Bristol-Myers Squibb share had a value equal to the Bristol-Myers Squibb closing price on September 20, 2018 (the day before the original proposal) and if each CVR paid \$8 in cash—would have an aggregate value of \$119.75 per share, as compared to the original proposal of \$110.00 per share. After discussion, the Celgene Board determined that members of Celgene management should continue to engage with Bristol-Myers Squibb but noted that the terms of the CVR should be clear, tied to near-term events, and aligned with the strategy of the combined company.

On December 29, 2018, the companies continued to negotiate the terms of the CVR. During those negotiations, Bristol-Myers Squibb stated that it was not willing to pay any amount under the CVR unless multiple milestones were achieved before the specified milestone dates. In addition, Bristol-Myers Squibb stated that it would only agree for the CVR to pay up to \$9, not \$10 as requested by Celgene. Finally, under Bristol-Myers Squibb's proposal, the CVR would pay \$9 only if the FDA approves on or before December 31, 2020 the commercial manufacturing, marketing and sale of all of Ozanimod, JCAR017 and bb2121 with certain additional requirements related to the regulatory approvals.

On December 30, 2018, the BMS Board held a special meeting, with members of Bristol-Myers Squibb management and representatives of Kirkland & Ellis, Morgan Stanley, Evercore, and Dyal Co. in attendance. At this meeting, the BMS Board received an update from members of Bristol-Myers Squibb management on the potential transaction with Celgene, including an update on due diligence and the ongoing discussions with Celgene. Representatives of each of Morgan Stanley, Evercore, and Dyal Co., together with members of Bristol-Myers Squibb management, then discussed with the BMS Board certain financial and transaction considerations related to the potential transaction, including an updated financial analysis. Members of Bristol-Myers Squibb management and representatives of the external advisors in attendance also provided an overview of the proposed CVR component to the merger consideration under various formulations. The BMS Board, together with members of Bristol-Myers Squibb management and representatives of its external advisors in attendance, then discussed the potential of making a revised proposal to Celgene and the range of, and mix of consideration comprising, the aggregate values of such a proposal. Following further discussion on these matters, the BMS Board authorized and directed Dr. Caforio to make a revised proposal that provided flexibility for Celgene to receive upfront consideration consisting of \$50 cash and one

share of Bristol-Myers Squibb common stock or, if Celgene preferred, cash of up to \$57 per share, with an appropriate reduction in the exchange ratio to reflect an aggregate value per share consistent with the \$50 cash and one share of Bristol-Myers Squibb common stock proposal, and, in either case, a CVR that would pay \$9 if the FDA approves on or before December 31, 2020 the commercial manufacturing, marketing and sale of all of Ozanimod, JCAR017 and bb2121 with certain additional requirements related to the regulatory approvals.

102

TABLE OF CONTENTS

On December 30, 2018, Dr. Caforio sent a letter to Mr. Alles confirming the proposal discussed on December 29, 2018. The letter stated that Bristol-Myers Squibb's best and final offer was a price per Celgene common share of \$50 in cash and one share of Bristol-Myers Squibb common stock. In addition, each share of Celgene common stock would receive one CVR that would pay \$9 if the FDA were to approve on or before December 31, 2020 the commercial manufacturing, marketing and sale of all of Ozanimod, JCAR017 and bb2121 with certain additional requirements related to the regulatory approvals. The letter also stated that Bristol-Myers Squibb would be willing to increase the cash component of the consideration to up to \$57 per share, with a corresponding reduction in the exchange ratio to maintain overall value. Furthermore, Bristol-Myers indicated that it would announce an intention to execute a post-closing share buy-back of approximately \$5 billion, which it believed would provide support for the trading price of the Bristol-Myers Squibb common stock received by the Celgene stockholders and allow for additional value-creation upside for the stockholders of the combined company. The letter indicated that the proposal was subject to the completion of limited remaining due diligence and finalization of mutually acceptable definitive agreements, and would expire if a definitive agreement were not signed by 5:00 p.m. on January 5, 2019.

From December 31, 2018 to January 2, 2019, Celgene, Bristol-Myers Squibb and their respective advisors continued to discuss and negotiate the open issues in the merger agreement and the CVR agreement. Following these discussions and negotiations, the companies agreed that the merger agreement would provide that each company's board of directors would be permitted to terminate the merger agreement in order to enter into a transaction providing for a superior proposal. They also agreed that the termination fee that each party would be required to pay to the other party if the merger agreement were terminated in specified circumstances would be equal to \$2.2 billion, which was equal to approximately 2.95% of the equity transaction value (excluding the CVR) and approximately 2.71% of the equity transaction value (including the full nominal value of the CVR), based on the closing price of Bristol-Myers Squibb common stock as of the date prior to announcement of the merger agreement. Furthermore, the companies agreed that the material adverse effect definition applicable to each party would exclude any adverse development or events with respect to either party's pipeline products. With respect to the CVR, the companies also agreed to extend to March 31, 2021 the specified milestone date for the required FDA approval for bb2121 and to eliminate any additional requirements related to the regulatory approvals for Ozanimod, JCAR017 and bb2121.

On January 2, 2019, the Science and Technology Committee of the BMS Board convened to discuss in detail the results of the due diligence conducted with respect to Celgene, including, in particular, due diligence findings with respect to Celgene's products and product pipeline opportunities.

Immediately following the meeting of the Science and Technology Committee of the BMS Board, the BMS Board held a special meeting, with members of Bristol-Myers Squibb management and representatives of Kirkland & Ellis, Morgan Stanley, Evercore and Dyal Co. in attendance. All members of the BMS Board were present at this special meeting other than Mr. Matthew W. Emmens, who was unable to attend. At this meeting, Bristol-Myers Squibb management and the external advisors in attendance reviewed the terms of the potential transaction with the BMS Board. Representatives from Kirkland & Ellis reviewed the fiduciary duties of the directors and the terms of the draft transaction agreements. Members of Bristol-Myers Squibb management then provided an update to the BMS Board on the results of due diligence conducted with respect to Celgene. Representatives from Morgan Stanley, Evercore, and Dyal Co. reviewed with the BMS Board their financial analyses of the merger consideration proposed in the merger, and each of Morgan Stanley, Evercore and Dyal Co. then rendered its respective oral opinion, which was subsequently confirmed in writing, to the BMS Board that, as of that date and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken as set forth in their respective opinions, the merger consideration to be paid by Bristol-Myers Squibb in the merger pursuant to the merger agreement was fair, from a financial point of view, to Bristol-Myers Squibb. See —Opinions of Bristol-Myers Squibb's Financial Advisors beginning on page 132 of this joint proxy statement/prospectus. In advance of the meeting, the BMS Board was provided with updated customary disclosure of any material relationships with either Bristol-Myers Squibb or Celgene by each of Morgan Stanley, Dyal Co. and

Evercore, and the BMS Board determined such relationships would not interfere with Morgan Stanley's, Dyal Co.'s or Evercore's ability to continue to provide financial advisory services to Bristol-Myers Squibb. Management of Bristol-Myers Squibb also provided an overview and update on the financing to be arranged for purposes of the transaction. Members of Bristol-Myers Squibb management and the BMS Board discussed a number of factors, including those outlined under —Bristol-Myers Squibb's Reasons for the Merger; Recommendation of the Bristol-Myers Squibb



TABLE OF CONTENTS

Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance beginning on page 109 of this joint proxy statement/prospectus. Following discussion, the BMS Board determined, by unanimous vote of all of the directors present at the meeting, that the merger agreement and the transactions contemplated thereby were fair to, and in the best interests of, Bristol-Myers Squibb and its stockholders, approved and declared advisable the merger agreement, the merger and the other transactions contemplated by the merger agreement, and resolved to recommend adoption of the stock issuance by Bristol-Myers Squibb stockholders. Mr. Emmens received and reviewed the materials prior to this special meeting and expressed his support for the transaction, and following the meeting of the BMS Board again confirmed his support for the transaction.

Later that day, on January 2, 2019, the Celgene Board held a special meeting, with members of Celgene management and representatives of J.P. Morgan, Citigroup and Wachtell Lipton in attendance, during which members of Celgene management updated the Celgene Board on the status of negotiations between the companies, including the terms outlined in Bristol-Myers Squibb's December 30, 2018 letter to Celgene and the discussions between the companies following receipt of the letter. The Celgene Board also discussed Bristol-Myers Squibb's offer to increase the cash component of the consideration to \$57 per share, with a corresponding reduction in the exchange ratio to maintain overall value. The Celgene Board, following discussion with members of Celgene management, determined that it would prefer to keep the mix of consideration of \$50 per share in cash and one share of Bristol-Myers Squibb common stock, in light of its view that the stock ownership in the combined company would allow Celgene stockholders to participate in the anticipated earnings and growth of a stronger combined company, as well as any synergies resulting from the merger. Members of Celgene management and the Celgene Board also discussed that, for purposes of comparing the revised proposal to Bristol-Myers Squibb's original proposal, the revised proposal of \$50.00 in cash, one share of Bristol-Myers Squibb common stock and one CVR—if each Bristol-Myers Squibb share had a value equal to the Bristol-Myers Squibb closing price on September 20, 2018 (the day before the original proposal) and if each CVR paid \$9 in cash—would have an aggregate value of \$120.75 per share, as compared to the original proposal of \$110.00 per share. Representatives of Wachtell Lipton reviewed the fiduciary duties of the directors and the terms of the draft transaction agreements. The Celgene Board then reviewed again the disclosure that had been provided by each of J.P. Morgan and Citigroup prior to the meeting of the Celgene Board on December 28, 2018 with respect to any material relationships with either Bristol-Myers Squibb or Celgene and determined such relationships would not interfere with J.P. Morgan's or Citigroup's ability to continue to provide financial advisory services to Celgene. Representatives of J.P. Morgan and Citigroup reviewed with the Celgene Board their respective financial analyses relating to the fairness to the holders of Celgene common stock of the consideration proposed to be paid in the merger, and J.P. Morgan and Citigroup each then rendered its oral opinion, which was subsequently confirmed in writing, to the Celgene Board to the effect that, as of January 2, 2019 and based on and subject to the assumptions made, procedures followed, matters considered and other limitations and qualifications set forth in each respective written opinion, the merger consideration to be paid to the holders of Celgene common stock in the merger was fair, from a financial point of view, to such holders. See —Opinions of Celgene's Financial Advisors beginning on page 113 of this joint proxy statement/prospectus. Members of Celgene management and the Celgene Board discussed a number of factors, including those outlined under —Celgene's Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement beginning on page 105 of this joint proxy statement/prospectus. Following discussion, the Celgene Board unanimously determined that the merger was fair to, and in the best interests of, Celgene and its stockholders, approved and declared advisable the merger agreement, the merger and the other transactions contemplated by the merger agreement, and resolved to recommend adoption of the merger agreement to holders of shares of Celgene's common stock.

Following the approval of the merger agreement and the merger by each of the BMS Board and the Celgene Board, Bristol-Myers Squibb and Celgene executed the merger agreement early during the morning of January 3, 2019. Concurrently with entering into the merger agreement, Bristol-Myers Squibb entered into a bridge facility commitment letter with MSSF and MUFG. That same morning, prior to the opening of trading on the NYSE, the two companies issued a joint press release announcing entry into the merger agreement.



TABLE OF CONTENTS**Certain Relationships between Bristol-Myers Squibb and Celgene**

Bristol-Myers Squibb, Celgene and their respective affiliates engage in transactions and enter into agreements with each other in the ordinary course of business. Bristol-Myers Squibb believes that no such transaction occurring in the fiscal year ended December 31, 2018, or the four prior fiscal years had an aggregate value in excess of 1% of Bristol-Myers Squibb's consolidated revenues for the fiscal year in which the transaction occurred. Except as described in this joint proxy statement/prospectus, there are and have been no past, present or proposed material contracts, arrangements, understandings, relationships, negotiations or transactions during the five immediately preceding calendar years between Bristol-Myers Squibb or its affiliates, on the one hand, and Celgene or its affiliates, on the other hand, concerning a merger, consolidation or acquisition, a tender offer for or other acquisition of securities, the election of directors, or the sale or other transfer of a material amount of assets.

**Celgene's Reasons for the Merger; Recommendation of the Celgene Board of Directors that Celgene Stockholders Adopt the Merger Agreement**

In reaching its decision to approve, and declare advisable, the merger agreement and to recommend that Celgene's stockholders adopt the merger agreement, the Celgene Board, as described above in the section entitled —Background of the Merger beginning on page 93 of this joint proxy statement/prospectus, held a number of meetings, consulted with Celgene's management and its legal and financial advisors and considered a number of factors, including its knowledge of the business, assets and liabilities, results of operations, financial performance, strategic direction and prospects of each of Celgene, Bristol-Myers Squibb and the combined company following the merger (taking into account the results of Celgene's due diligence of Bristol-Myers Squibb), as well as the risks in achieving those prospects and the anticipated effects of the merger. The Celgene Board considered a variety of factors that weighed positively in favor of the merger agreement, the merger and the other transactions contemplated by the merger agreement. These factors included the following, which are not necessarily in order of importance:

***Value of Merger Consideration***

- the value of the upfront merger consideration (i.e., the cash and stock components of the merger consideration), based on the closing price of the Bristol-Myers Squibb common stock as of January 2, 2019, the last trading day prior to the announcement of the merger agreement, represented a premium of approximately 53.7% to the closing price of the Celgene common stock on January 2, 2019; a premium of approximately 51.3% to the 30-day volume weighted average closing price of the Celgene common stock as of January 2, 2019; and a premium of approximately 35.2% to the 90-day volume weighted average closing price of the Celgene common stock as of January 2, 2019;
- in addition to the upfront merger consideration, each share of Celgene common stock will receive one transferable and tradeable CVR, which may provide Celgene stockholders with an opportunity to receive an additional \$9.00 in cash for each CVR if certain regulatory approvals are achieved within specified time periods
- the stock component of the merger consideration will provide Celgene stockholders with ownership of approximately 31% of the combined company and therefore allow Celgene's stockholders to participate in the anticipated earnings and growth of the combined company, as well as any synergies resulting from the merger, while the cash portion of the merger consideration will provide liquidity and certainty of value upon consummation of the merger
- the amount of cash, the number of shares of Bristol-Myers Squibb common stock and the number of CVRs to be received for each outstanding share of Celgene common stock are fixed and will not be reduced if the share price of Celgene common stock declines prior to the effective time of the merger or if the share price of Bristol-Myers Squibb common stock increases prior to the effective time, and the terms of the merger

agreement do not include termination rights based on an increase in the market price of Bristol-Myers Squibb common stock relative to the market price of Celgene common stock

- the merger consideration was the result of a series of arm's length negotiations between the parties; and
- each of J.P. Morgan and Citigroup rendered an opinion to the Celgene Board on January 2, 2019 (each subsequently confirmed in writing) to the effect that, as of such date and based on and subject to the

**TABLE OF CONTENTS**

assumptions made, procedures followed, matters considered and other limitations and qualifications set forth in each respective written opinion, the merger consideration to be paid to the holders of Celgene common stock in the merger was fair, from a financial point of view, to such holders, as more fully described in the section entitled —Opinions of Celgene’s Financial Advisors beginning on page 113 of this joint proxy statement/ prospectus.

***Strategic Benefits of Transaction***

- the merger will create a leading specialty biopharma company, well positioned for sustained innovation and long-term growth and to address the needs of patients with cancer, inflammatory and immunologic disease and cardiovascular disease, and, with complementary areas of focus, the combined company will operate with global reach and scale, while maintaining the speed and agility that is core to each company’s strategic approach;
- the merger will create a leading oncology franchise in both solid tumors and hematologic malignancies, led by OPDIVO®, YERVOY®, REVLIMID® and POMALYST®, and a leading immunology and inflammation franchise led by ORENCIA® and OTEZLA®;
- the combined company will have near-term launch opportunities that are expected to represent more than \$15 billion in revenue potential, with two expected near-term product launches in immunology and inflammation and four near-term product launches in hematology, and the commercial capabilities of the combined company could facilitate the launch of these products;
- the combined company will have a deep and diverse early-stage pipeline across solid tumors and hematologic malignancies, immunology and inflammation, cardiovascular disease and fibrotic disease and will be well positioned for long-term growth and significant value creation; and
- the combined company will have a more diverse product portfolio than either company on a standalone basis, with nine products with more than \$1 billion in annual sales;
- the combined company is expected to have greater financial resources and flexibility to realize the full potential of its pipeline, to engage in research and development, and to invest in other development opportunities, including through the combined company’s established collaboration network, for sustainable long-term growth;
- the combined company is expected to be in a better position to operate in the current and expected future pharmaceutical/biotech landscape, including operating in and responding to the current and expected future regulatory and competitive challenges facing industry participants; and
- two members of the Celgene Board will join the board of the combined company, which could enhance the likelihood of obtaining the strategic benefits expected from the merger and the benefits and talents that Celgene could bring to the combined company.

***Likelihood of Completion***

- there are limited overlaps between the businesses of Celgene and Bristol-Myers Squibb relative to those that could be present in transactions with certain other industry participants
- Bristol-Myers Squibb has committed in the merger agreement to use its reasonable best efforts to complete the merger, including its commitment to make divestitures or take other actions in order to obtain regulatory approvals for the transaction, subject to a limit on making divestitures or taking other actions that would reasonably be expected to have a material adverse effect on the financial condition, business or results of operations of the combined company (see the section entitled The Merger Agreement—Reasonable Best Efforts Covenant )
- Bristol-Myers Squibb’s obligations pursuant to the merger agreement are not subject to any financing condition or similar contingency based on Bristol-Myers Squibb’s ability to obtain financing and Bristol-Myers Squibb has received financing commitments to provide \$33.5 billion aggregate principal amount of bridge loans, which is sufficient, together with Bristol-Myers Squibb’s other sources of available cash, to fund the cash portion of the merger consideration.



TABLE OF CONTENTS

*Terms of Merger Agreement*

- the merger is subject to the approval of the Celgene stockholders, which will be free to approve or reject the merger;
- the merger agreement permits Celgene, subject to certain conditions, to respond to and negotiate unsolicited acquisition proposals prior to the time that Celgene’s stockholders approve the merger and to terminate the merger agreement to accept an unsolicited acquisition proposal that the Celgene Board determines is superior to the merger
- the merger agreement permits the Celgene Board, subject to certain conditions, to make an adverse recommendation change to Celgene stockholders, in response to a superior proposal or an intervening event, that they adopt the merger agreement if it would be reasonably likely to be inconsistent with the Celgene Board’s fiduciary duties to fail to do so
- Bristol-Myers Squibb is prohibited from soliciting acquisition proposals, subject to certain exceptions described in *The Merger Agreement—No Solicitation* beginning on page 185 of this joint proxy statement/prospectus; and
- under certain circumstances under the merger agreement, Bristol-Myers Squibb may be required to pay Celgene (i) the Bristol-Myers Squibb termination fee or (ii) the Celgene fee reimbursement, as more fully described in the section entitled *The Merger Agreement—Termination Fees and Expenses*.

The Celgene Board also considered a variety of risks and other potentially negative factors concerning the merger. These factors included the following, which are not necessarily listed in order of importance:

- the stock issuance is subject to the approval of the Bristol-Myers Squibb stockholders, which will be free to approve or reject the stock issuance, subject to certain exceptions described in *The Merger Agreement—Termination of the Merger Agreement* beginning on page 197 of this joint proxy statement/prospectus;
- the merger agreement permits Bristol-Myers Squibb, subject to certain conditions, to respond to and negotiate unsolicited acquisition proposals prior to the time that Bristol-Myers Squibb’s stockholders approve the stock issuance and to terminate the merger agreement to accept an unsolicited acquisition proposal that the BMS Board determines is superior to the merger
- the merger agreement permits the BMS Board, subject to certain conditions, to make an adverse recommendation change to Bristol-Myers Squibb stockholders, in response to a superior proposal or an intervening event, that they adopt the merger agreement if it would be reasonably likely to be inconsistent with the BMS Board’s fiduciary duties to fail to do so
- there would be risks and costs to Celgene during the pendency of the merger and if the merger is not completed, including uncertainty about the effect of the proposed merger on Celgene’s employees, customers, potential customers, distributors, suppliers and other parties, which may impair Celgene’s ability to attract, retain and motivate key personnel and could cause customers, potential customers, suppliers, distributors and others to seek to change or not enter into business relationships with Celgene, and the risk that the trading price of the Celgene common stock could be materially adversely affected if the merger is not completed;
- the number of shares of Bristol-Myers Squibb common stock to be received for each outstanding share of Celgene common stock is fixed and will not be increased to compensate Celgene stockholders in the event of a decline in the share price of Bristol-Myers Squibb common stock or an increase in the share price of Celgene common stock prior to the effective time of the merger, and that the terms of the merger agreement do not include termination rights for Celgene triggered in the event of an increase in the value of Celgene relative to the value of Bristol-Myers Squibb;
- if the transaction is not completed as a result of regulatory impediments or other reasons, Bristol-Myers Squibb will not be obligated to pay any reverse termination fee ;
- the merger agreement contains provisions that restrict the conduct of Celgene’s business prior to the completion of the merger, generally requiring Celgene not to take certain actions with respect to the conduct

of its business without the prior consent of Bristol-Myers Squibb;



TABLE OF CONTENTS

- the merger agreement contains provisions that could have the effect of discouraging third party offers for Celgene, including the restriction on Celgene’s ability to solicit third-party proposals for alternative transactions;
- under certain circumstances under the merger agreement, Celgene may be required to pay to Bristol-Myers Squibb (i) the Celgene termination fee or (ii) the Bristol-Myers Squibb fee reimbursement, as more fully described in the section entitled *The Merger Agreement—Termination Fees and Expenses* ;
- Celgene could incur substantial expenses related to the merger, including in connection with any litigation that may result from the announcement or pendency of the merger;
- the parties face risks with achieving anticipated cost synergies and savings and successfully integrating their businesses, operations and workforces;
- there is a risk that management focus on completion of the merger could divert attention and resources from the operation of Celgene’s business; and
- there are other various risks associated with the merger and the business of Celgene, Bristol-Myers Squibb and the combined company, as described in the section entitled *Risk Factors*.

In addition to considering the factors described above, the Celgene Board was aware of and considered the following additional factors:

- some of Celgene’s directors and executive officers have other interests in the merger that are in addition to their interests as Celgene stockholders, as more fully described in the section entitled *Interests of Celgene’s Directors and Executive Officers in the Merger*
- Celgene considered the prospects for a merger or sale transaction with a company other than Bristol-Myers Squibb, including (i) the Celgene Board’s belief, after consultation with Celgene management and its financial advisors and after an inquiry to, and response from, a company that, in the board’s view, was the only company that potentially could have a strategic fit with Celgene that was as strong as that between Celgene and Bristol-Myers Squibb, that there were not likely many other potential buyers for Celgene and that, even if another potential buyer made an offer, Bristol-Myers Squibb’s proposal was likely to be the highest offer with the greatest transaction certainty (ii) the risks associated with an auction process, including, among other things, the risk of significant harm to Celgene’s business if it became known to Celgene’s customers, distributors or employees that Celgene was seeking to be sold (without assurance that a financially superior proposal would be made or consummated) (iii) the risk of losing the Bristol-Myers Squibb proposal or that Bristol-Myers Squibb would lower its proposed consideration if Celgene elected to solicit other offers and little or no competitive bidding emerged (iv) the risk of breaches of confidentiality by prospective participants in an auction process and their advisors and (v) the substantial management time and resources that would be required, potentially causing significant management distraction from operating Celgene’s business
- the FDA approvals necessary to trigger the potential payment under the CVRs may not be achieved by Bristol-Myers Squibb and Celgene, potentially affecting the value and marketability of the CVRs; and
- the receipt of the merger consideration in exchange for shares of Celgene common stock pursuant to the merger will generally be a taxable transaction for U.S. federal income tax purposes.

The foregoing discussion of the information and factors considered by the Celgene Board is not meant to be exhaustive but includes the material factors considered by the Celgene Board. In view of the variety of factors considered in connection with its evaluation of the merger, the Celgene Board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Celgene Board recommended the merger agreement and the merger based upon the totality of the information it considered.

## TABLE OF CONTENTS

The foregoing description of the Celgene Board's consideration of the factors supporting the merger agreement, the merger and the other transactions contemplated by the merger agreement is forward-looking in nature. This information should be read in light of the factors discussed in the section entitled "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 79 of this joint proxy statement/prospectus.

### **THE CELGENE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT CELGENE STOCKHOLDERS VOTE FOR THE ADOPTION OF THE MERGER AGREEMENT, FOR THE CELGENE ADJOURNMENT PROPOSAL AND FOR THE CELGENE COMPENSATION ADVISORY PROPOSAL.**

#### **Bristol-Myers Squibb's Reasons for the Merger; Recommendation of the Bristol-Myers Squibb Board of Directors that Bristol-Myers Squibb Stockholders Approve the Stock Issuance**

In reaching its decision to approve, and declare advisable, the merger agreement and the others transactions contemplated by the merger agreement, including the stock issuance, the BMS Board, as described above in —Background of the Merger— beginning on page 93 of this joint proxy statement/prospectus, held a number of meetings, consulted with Bristol-Myers Squibb's management and its legal and financial advisors and considered a number of factors, including its knowledge of the business, assets and liabilities, results of operations, financial performance, strategic direction and prospects of each of Bristol-Myers Squibb, Celgene, and the combined company following the merger (taking into account the results of Bristol-Myers Squibb's diligence of Celgene), as well as the risks in achieving those prospects. The BMS Board considered a variety of factors that weighed positively in favor of the merger agreement, the merger and the other transactions contemplated by the merger agreement. These factors included the following, which are not necessarily in order of importance:

#### *Strategic Benefits of the Transaction*

- the merger will create a leading biopharmaceutical company, well positioned for sustained innovation and long-term growth and to address the needs of patients with cancer, inflammatory and immunologic disease and cardiovascular disease through high-value innovative medicines and leading scientific capabilities and, with complementary areas of focus, the combined company will operate with global reach and scale, while maintaining the speed and agility that is core to each company's strategic approach;
- the merger will create a leading oncology franchise in both solid tumors and hematologic malignancies, led by OPDIVO®, YERVOY®, REVLIMID® and POMALYST®, and a leading immunology and inflammation franchise led by ORENCIA® and OTEZLA®;
- the combined company will have a deep and diverse early-stage pipeline across solid tumors and hematologic malignancies, immunology and inflammation, cardiovascular disease and fibrotic disease;
- the combined company will have near-term launch opportunities that are expected to represent greater than \$15 billion in revenue potential, with ten Phase 3 assets and six expected near-term potential product launches, and the commercial capabilities of the combined company could facilitate the launch of these products;
- the combined company will have a more diverse product portfolio than either company on a standalone basis, with nine products expected to have more than \$1 billion in annual sales;
- the combined company will have a strong balance sheet and cash flow generation to enable significant investment in innovation, with more than \$45 billion of expected free cash flow generation by the third full year following the completion of the merger;
- the combined company is expected to have greater financial resources and flexibility, even after taking into account transaction-related indebtedness, to realize the full potential of its pipeline, to engage in research and development, to invest in other development opportunities for sustainable long-term growth, including through the combined company's established collaboration network, and to maintain an investment grade credit rating;

- the combined company is expected to be in a better position to operate in the current and expected future pharmaceutical landscape, including operating in and responding to the current and expected future regulatory and competitive challenges facing industry participants;

TABLE OF CONTENTS

- the expectation that the combined company will enter into an accelerated share repurchase agreement to repurchase \$5 billion of its common stock following completion of the merger, which will lead to meaningful capital returns;
- the expectation that the transaction will result in meaningful cost synergies, with anticipated run-rate cost synergies of approximately \$2.5 billion by 2022;
- the belief that the complementary cultures of the two companies will allow for, and that the Bristol-Myers Squibb management team will be able to work together with members of Celgene management to enable, a successful integration of Bristol-Myers Squibb and Celgene following the consummation of the merger; and
- the expectation that the complementary nature of the businesses and products of Bristol-Myers Squibb and Celgene will allow for a successful integration of the two companies, and enhance the combined company's future opportunity and flexibility in determining whether to elect to engage in a potential separation or other strategic transaction involving one or both of its businesses.

*Transaction Terms*

- the expectation that the merger will be significantly accretive to the DCF implied values per share of Bristol-Myers Squibb common stock as well as to Bristol-Myers Squibb's estimated cash EPS for each of the calendar years 2020 through 2023. See —Opinions of Bristol-Myers Squibb's Financial Advisors beginning on page 132 of this joint proxy statement/prospectus;
- the opinions of each of Morgan Stanley, Evercore and Dyal Co. rendered orally on January 2, 2019 and subsequently confirmed in writing, to the BMS Board that, as of such date, and based upon and subject to the various assumptions made, procedures followed, matters considered and qualifications and limitations on the scope of the review undertaken set forth in each such advisor's written opinion, the merger consideration to be paid by Bristol-Myers Squibb pursuant to the merger agreement was fair, from a financial point of view, to Bristol-Myers Squibb. See —Opinions of Bristol-Myers Squibb's Financial Advisors beginning on page 132 of this joint proxy statement/prospectus;
- the fact that, because holders of outstanding Bristol-Myers Squibb common stock as of immediately prior to completion of the merger are expected to hold approximately 69% of the outstanding Bristol-Myers Squibb common stock immediately after completion of the merger, Bristol-Myers Squibb stockholders will have the opportunity to participate in the future performance of the combined company, including synergies;
- the fact that because the exchange ratio under the merger agreement is fixed (and will not be adjusted for fluctuations in the market price of Bristol-Myers Squibb common stock or Celgene common stock during the period prior to the completion of the merger), Bristol-Myers Squibb has greater certainty as to the number of shares of Bristol-Myers Squibb common stock to be issued in the merger;
- the fact that 11 members of the 13-member board of directors of the combined company will be comprised of current members of the BMS Board, including that Dr. Caforio will continue as the Chairman and Chief Executive Officer of Bristol-Myers Squibb following the merger;
- the terms and conditions of the merger agreement, including the regulatory and other commitments by both Bristol-Myers Squibb and Celgene to complete the merger and the absence of a financing condition to Bristol-Myers Squibb's obligation to close the merger;
- the BMS Board's belief that, while the consummation of the merger is subject to various regulatory approvals and the satisfaction of certain other conditions, such approvals are likely to be obtained and such other conditions are likely to be satisfied, in each case, without a material adverse impact on the respective businesses of Bristol-Myers Squibb, Celgene or the combined company;
- the fact that, while Bristol-Myers Squibb is obligated to use its reasonable best efforts to complete the merger, such efforts standard does not obligate Bristol-Myers Squibb to take any actions or agree to any terms, conditions or limitations as a condition to, or in connection with, obtaining any regulatory approvals required to complete the merger that would have or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the combined company after giving effect to the merger;



TABLE OF CONTENTS

- there are limited overlaps between the businesses of Celgene and Bristol-Myers Squibb relative to those that could be present in transactions with certain other industry participants
- the merger agreement permits Bristol-Myers Squibb, subject to certain conditions, to respond to and negotiate unsolicited acquisition proposals for Bristol-Myers Squibb prior to the time the Bristol-Myers Squibb stockholders approve the stock issuance;
- the ability of the BMS Board, subject to certain conditions and in certain circumstances the payment of the Bristol-Myers termination fee, to (i) make an adverse recommendation change in response to a superior proposal or an intervening event if not doing so would be reasonably likely to be inconsistent with its fiduciary duties and/or (ii) terminate the merger agreement in order to accept a superior proposal, as more fully described in the section titled, *The Merger Agreement—Termination of the Merger Agreement* beginning on page 197 of this joint proxy statement/prospectus;
- the fact that the BMS Board did not believe that the termination fee that Bristol-Myers Squibb would be required to pay in connection with the entrance by Bristol-Myers Squibb into an alternative transaction that constitutes a superior proposal would preclude a third party from making an acquisition proposal for or pursuing a transaction with Bristol-Myers Squibb;
- the fact that Celgene is required to pay the Celgene termination fee if the merger agreement is terminated under certain circumstances described under *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus;
- the fact that Celgene is required to pay to Bristol-Myers Squibb the Bristol-Myers Squibb fee reimbursement if the Celgene stockholders vote on and fail to adopt the merger agreement at the Celgene special meeting, as more fully described in the section titled, *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus;
- the terms of the bridge facility commitment letter, particularly in light of the then-current market for such commitments and facilities;
- the BMS Board’s belief as to the likelihood that Bristol-Myers Squibb will be able to obtain the necessary financing and that the full proceeds of the financing will be available to Bristol-Myers Squibb;
- the anticipated ability of Bristol-Myers Squibb to service and pay down the indebtedness incurred in connection with the merger;
- the merger is conditioned upon the approval by the Bristol-Myers Squibb stockholders of the stock issuance, which will be free to approve or reject the stock issuance; and
- the merger consideration was the result of a series of arm’s length negotiations between the parties.

***Other Factors***

- the respective businesses, operations, management, financial condition, earnings and prospects of Bristol-Myers Squibb and Celgene;
- the results of Bristol-Myers Squibb’s management’s due diligence investigation of Celgene, including the results of the business, financial, accounting and legal due diligence investigations of Celgene and the reputation, business practices and experience of Celgene and its management;
- the review by the BMS Board with its legal and financial advisors of the structure of the merger and the financial and other terms of the merger agreement and the merger; and
- trends and competitive developments in the biopharmaceutical industry.

The BMS Board also considered a variety of risks and other potentially negative factors concerning the merger. These factors included the following, which are not necessarily listed in the order of importance:

- the expected dilution associated with the stock issuance and the assumption of outstanding Celgene equity awards;

TABLE OF CONTENTS

- the risk that the potential benefits of the merger may not be fully realized, including the possibility that transaction synergies may not be realized to the extent or on the timeline expected, or at all, and that Bristol-Myers Squibb paid more for Celgene than the value it will derive from the merger;
- the risk of diverting Bristol-Myers Squibb management focus and resources from other strategic opportunities and from operational matters, and potential disruption of Bristol-Myers Squibb management associated with the merger and integrating the companies;
- the risk that the merger may not be completed despite the parties' efforts or that completion of the merger may be delayed, even if the requisite approvals are obtained from Bristol-Myers Squibb stockholders and Celgene stockholders, including the possibility that conditions to the parties' obligations to complete the merger may not be satisfied, and the potential resulting disruptions to Bristol-Myers Squibb's business (and the disruptions of the combined company if the merger is ultimately completed);
- the risks and costs to Bristol-Myers Squibb during the pendency of the merger and if the merger is not completed of the merger on Bristol-Myers Squibb's businesses (or, following the completion of the merger, on the combined company's businesses), including uncertainty about the effect of the proposed merger on Bristol-Myers Squibb's employees, customers, potential customers, distributors, suppliers and other parties, which may impair Bristol-Myers Squibb's ability to attract, retain and motivate key personnel and could cause customers, potential customers, suppliers, distributors and others to seek to change or not enter into business relationships with Bristol-Myers Squibb, and the risk that the trading price of the Bristol-Myers Squibb common stock could be materially adversely affected if the merger is not completed;
- the merger is subject to the approval of the Celgene stockholders, which will be free to approve or reject the merger, subject to certain exceptions described in *The Merger Agreement—Termination of the Merger Agreement* beginning on page 197 of this joint proxy statement/prospectus;
- the risk that the shares of Bristol-Myers common stock and CVRs to be issued in the merger are not approved for listing on the NYSE, both of which are conditions to completion of the merger;
- the potential length of time before the closing conditions can be satisfied, including as a result of the regulatory approval provisions and the fact that the parties may therefore not be able to close the merger for an extended period of time, during which Bristol-Myers Squibb would be subject to the merger agreement and bound by the various covenants and restrictions set forth therein;
- the possibility that governmental authorities might seek to require certain actions of Bristol-Myers Squibb or Celgene or impose certain terms, conditions or limitations on Bristol-Myers Squibb's or Celgene's businesses in connection with granting approval of the merger or might otherwise seek to prevent or delay the merger, including the risk that governmental authorities might seek an injunction or order in court;
- the fact that Bristol-Myers Squibb has incurred and will continue to incur significant costs and expenses in connection with the contemplated transaction, regardless of whether it is completed, and will absorb the costs and expenses of Celgene if the merger is completed;
- the fact that Bristol-Myers Squibb, under the terms of the merger agreement, is required to take and agree to substantial actions and remedies if necessary in order to satisfy the antitrust closing conditions, which may include, among other things, divestitures of assets, restrictions on business operations and termination of business relationships as described under *The Merger Agreement—Reasonable Best Efforts Covenant* beginning on page 188 of this joint proxy statement/prospectus;
- the merger agreement permits Celgene, subject to certain conditions, to respond to and negotiate unsolicited acquisition proposals prior to the time that Celgene stockholders approve the merger;
- Celgene's ability, subject to certain conditions and in certain circumstances the payment of the Celgene termination fee, to (i) make an adverse recommendation change in response to a superior proposal or an intervening if not doing so would be reasonably likely to be inconsistent with its fiduciary duties and/or (ii) terminate the merger agreement in order to accept a superior proposal, as more fully described in the section titled, *The Merger Agreement—Termination of the Merger Agreement*, beginning on page 188 of this joint proxy statement/prospectus;





TABLE OF CONTENTS

- under certain circumstances under the merger agreement, Bristol-Myers Squibb may be required to (i) pay the Bristol-Myers Squibb termination fee or (ii) to pay to Celgene the Celgene fee reimbursement, which is described in section titled *The Merger Agreement—Termination Fees and Expenses* beginning on page 199 of this joint proxy statement/prospectus;
- the merger agreement permits the Celgene Board, subject to certain conditions, to make an adverse recommendation change to the Celgene stockholders that they approve the merger agreement if it would be reasonably likely to be inconsistent with the Celgene Board’s fiduciary duties to fail to do so;
- the fact that Bristol-Myers Squibb will be subject to certain restrictions on the conduct of its businesses during the period between signing the merger agreement and completion of the merger, which could prevent Bristol-Myers Squibb from taking certain actions or otherwise pursuing certain business opportunities during the pendency of the merger;
- Celgene’s ability to specifically enforce all of Bristol-Myers Squibb’s obligations, in all events, under the merger agreement;
- the risk that the additional debt incurred in connection with the merger could have a negative impact on combined company’s credit ratings and operational flexibility;
- the risk of litigation related to the transaction; and
- various other risks associated with the merger and the businesses of Bristol-Myers Squibb, Celgene and the combined company described under *Risk Factors*, beginning on page 38 of this joint proxy statement/prospectus.

During its consideration of the merger, the BMS Board was also aware that certain of Celgene’s directors and executive officers may have interests in the merger that are different from or in addition to those of Celgene stockholders generally, as described in the section entitled *Interests of Celgene’s Directors and Executive Officers in the Merger* beginning on page 202 of this joint proxy statement/prospectus.

The BMS Board determined that, taken as a whole, these potential risks and uncertainties were outweighed by the benefits that the BMS Board expects to achieve for its stockholders as a result of the merger. The BMS Board realized that there can be no assurance about future results, including results considered or expected as disclosed in the above reasons. The above discussion of the material factors considered by the BMS Board in its consideration of the merger and the other transactions contemplated by the merger agreement is not intended to be exhaustive, but does set forth some of the principal factors considered by the BMS Board. In light of the number and wide variety of factors considered in connection with the evaluation of the merger and the other transactions, the BMS Board did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its final decision. The BMS Board viewed its position as being based on all of the information available to it and the factors presented to and considered by it. However, some directors may themselves have given different weight to different factors. The factors, potential risks and uncertainties contained in this explanation of Bristol-Myers Squibb’s reasons for the merger and other information presented in this section contain information that is forward-looking in nature and, therefore, should be read in light of the factors discussed in *Cautionary Statement Regarding Forward-Looking Statements* beginning on page 79 of this joint proxy statement/prospectus.

**THE BMS BOARD UNANIMOUSLY RECOMMENDS THAT BRISTOL-MYERS SQUIBB STOCKHOLDERS VOTE FOR THE STOCK ISSUANCE AND FOR THE BRISTOL-MYERS SQUIBB ADJOURNMENT PROPOSAL.**

**Opinions of Celgene’s Financial Advisors**

*Opinion of J.P. Morgan Securities LLC*

At the meeting of the Celgene Board on January 2, 2019, J.P. Morgan rendered its oral opinion to the Celgene Board that, as of such date and based upon and subject to the factors and assumptions set forth in its opinion, the merger

consideration to be paid to the holders of Celgene common stock in the merger was fair, from a financial point of view, to such holders. J.P. Morgan has confirmed its January 2, 2019 oral opinion by delivering its written opinion to the Celgene Board, dated January 2, 2019, that, as of such date, the merger consideration to be paid to the holders of Celgene common stock in the merger was fair, from a financial point of view, to such holders. The full text of the written opinion of J.P. Morgan dated January 2, 2019, which sets forth the

113

TABLE OF CONTENTS

assumptions made, matters considered and limits on the review undertaken, is attached as Annex C to this joint proxy statement/prospectus and is incorporated herein by reference. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. Celgene stockholders are urged to read the opinion in its entirety. J.P. Morgan's written opinion was addressed to the Celgene Board (in its capacity as such) in connection with and for the purposes of its evaluation of the merger, was directed only to the merger consideration to be paid to the holders of Celgene common stock in the merger and did not address any other aspect of the merger. The issuance of J.P. Morgan's opinion was approved by a fairness committee of J.P. Morgan. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion. The opinion does not constitute a recommendation to any stockholder of Celgene as to how such stockholder should vote with respect to the merger or any other matter.

In arriving at its opinions, J.P. Morgan, among other things:

- reviewed the merger agreement, including the form CVR agreement attached as Exhibit A thereto;
- reviewed certain publicly available business and financial information concerning Celgene and Bristol-Myers Squibb and the industries in which they operate;
- compared the proposed financial terms of the merger with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration paid for such companies;
- compared the financial and operating performance of Celgene and Bristol-Myers Squibb with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of Celgene common stock and Bristol-Myers Squibb common stock and certain publicly traded securities of such other companies;
- reviewed certain internal financial analyses and forecasts prepared by or at the direction of the management of Celgene relating to the respective businesses of Celgene and Bristol-Myers Squibb, including in the case of Celgene, the forecasts and assessments of the management of Celgene relating to the probability of achievement of the CVR milestone, as well as the estimated amount and timing of the cost savings and related expenses and projected synergies expected by the management of Celgene to result from the merger; and
- performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

In addition, J.P. Morgan held discussions with certain members of the management of Celgene and Bristol-Myers Squibb with respect to certain aspects of the merger, and the past and current business operations of Celgene and Bristol-Myers Squibb, the financial condition and future prospects and operations of Celgene and Bristol-Myers Squibb, the effects of the merger on the financial condition and future prospects of Celgene and Bristol-Myers Squibb, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by Celgene and Bristol-Myers Squibb or otherwise reviewed by or for J.P. Morgan. J.P. Morgan did not independently verify any such information or its accuracy or completeness and J.P. Morgan did not assume any obligation to undertake any such independent verification. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of Celgene or Bristol-Myers Squibb under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to J.P. Morgan or derived therefrom, including the Celgene projected synergies, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Celgene and Bristol-Myers Squibb to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the Celgene projected synergies) or the assumptions on which they were based. In connection with its

financial analyses, J.P. Morgan applied the CVR probabilities to derive a value for the CVRs, which value was reviewed and approved by management of Celgene for purposes of performing J.P. Morgan's financial analyses in connection with rendering its opinion. In addition, with respect to the Celgene financial projections, as defined and summarized in the section titled —Certain Unaudited Prospective Financial

TABLE OF CONTENTS

Information beginning on page 150 of this joint proxy statement/prospectus, J.P. Morgan assigned probability weightings provided by Celgene to each of Celgene management case 1, Celgene management case 2 and Celgene management case 3, each as defined and summarized in the section titled —Certain Unaudited Prospective Financial Information—Celgene Financial Projections beginning on page 150 of this joint proxy statement/prospectus, as directed by Celgene, and the resulting Celgene blended management case, as defined and summarized in the section titled —Certain Unaudited Prospective Financial Information—Celgene Financial Projections beginning on page 150 of this joint proxy statement/prospectus, calculated based on such probability weighting was reviewed and approved by management of Celgene for purposes of performing J.P. Morgan’s financial analyses in connection with rendering its opinion, and J.P. Morgan expressed no opinion with respect to any other financial projections relating to Celgene provided to J.P. Morgan by Celgene. Further, J.P. Morgan was advised by management of Celgene, and J.P. Morgan assumed with Celgene’s consent, that such probability weightings reflect the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Celgene.

J.P. Morgan also assumed that the merger and the other transactions contemplated by the merger agreement will have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Celgene, and will be consummated as described in the merger agreement, and that the definitive CVR agreement will not differ in any material respects from the form thereof furnished to J.P. Morgan. J.P. Morgan also assumed that the representations and warranties made by Celgene and Bristol-Myers Squibb in the merger agreement and the related agreements were and will be true and correct in all respects material to its analysis. J.P. Morgan is not a legal, regulatory or tax expert and J.P. Morgan relied on the assessments made by advisors to Celgene with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without any adverse effect on Celgene or Bristol-Myers Squibb or on the contemplated benefits of the merger in any respect material to J.P. Morgan’s analysis.

J.P. Morgan’s opinion was necessarily based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of such opinion. J.P. Morgan’s opinion noted that subsequent developments may affect J.P. Morgan’s opinion, and that J.P. Morgan does not have any obligation to update, revise, or reaffirm such opinion. J.P. Morgan’s opinion is limited to the fairness, from a financial point of view, of the merger consideration to be paid to the holders of Celgene common stock in the merger, and J.P. Morgan has expressed no opinion as to the fairness of any consideration to be paid in connection with the merger, including the merger consideration, to the holders of any other class of securities, creditors or other constituencies of Celgene or as to the underlying decision by Celgene to engage in the merger. Furthermore, J.P. Morgan expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the merger, or any class of such persons relative to the merger consideration to be paid to the holders of Celgene common stock in the merger or with respect to the fairness of any such compensation. J.P. Morgan expressed no opinion as to the price at which the Celgene common stock, the Bristol-Myers Squibb common stock or the CVRs will trade at any future time.

The terms of the merger agreement, including the merger consideration, were determined through arm’s length negotiations between Celgene and Bristol-Myers Squibb, and the decision to enter into the merger agreement was solely that of the Celgene Board and the BMS Board. J.P. Morgan’s opinion and financial analyses were only one of the many factors considered by the Celgene Board in its evaluation of the merger and should not be viewed as determinative of the views of the Celgene Board or the management of Celgene with respect to the merger or the merger consideration.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methodology in rendering its opinion to the Celgene Board on January 2, 2019, and contained in the joint presentation delivered to the Celgene Board on such date by J.P. Morgan and Citigroup in connection with the rendering of J.P. Morgan’s (as well as Citigroup’s respective) opinion and the summaries of the financial analyses set forth below do not purport to be complete descriptions of the analyses or data presented by J.P. Morgan. Some of the summaries of the

financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by J.P. Morgan, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of J.P. Morgan's analyses.

115

TABLE OF CONTENTSCelgene Financial Analyses*Selected Public Trading Multiples Analysis*

Using publicly available information, J.P. Morgan compared selected financial data of Celgene with similar data for companies selected by J.P. Morgan, among other reasons, because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis and based on its experience and professional judgment, may be considered similar in certain respects to those of Celgene based on business sector participation, financial metrics and form of operations. The analysis necessarily involves complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies differently than would affect Celgene. The companies selected by J.P. Morgan were:

- Alexion Pharmaceuticals, Inc.;
- Amgen Inc.;
- Biogen Inc.;
- Gilead Sciences, Inc.; and
- Regeneron Pharmaceuticals, Inc.

Using publicly available information, J.P. Morgan calculated and compared, for each selected company listed above and for Celgene, (i) firm value, calculated as the market value of the relevant company's common stock on a fully diluted basis as of December 31, 2018, plus debt, minority interest and preferred equity, less cash and cash equivalents, each as of September 30, 2018, and adjusted, as deemed appropriate by J.P. Morgan based on its experience and professional judgment, for the expected financial impact of significant publicly disclosed strategic transactions involving such company and entered into after September 30, 2018, which is referred to in this section entitled "Opinion of J.P. Morgan Securities LLC" of this joint proxy statement/prospectus as the firm value or FV, as a multiple of estimated earnings before interest, taxes, depreciation and amortization but after taking into account stock-based compensation expense, which is referred to in this joint proxy statement/prospectus as Adjusted EBITDA, for the calendar year ending December 31, 2019, which multiple is referred to in this section entitled "Opinion of J.P. Morgan Securities LLC" of this joint proxy statement/prospectus as 2019E FV/EBITDA, and (ii) the multiple represented by (A) the relevant company's closing share price as of December 31, 2018 as compared to (B) such company's estimated earnings per share, adjusted to exclude amortization expense and include stock-based compensation expense, which is referred to in this section entitled "Opinion of J.P. Morgan Securities LLC" of this joint proxy statement/prospectus as EPS, for the calendar year ending December 31, 2019, which multiple is referred to in this section entitled "Opinion of J.P. Morgan Securities LLC" of this joint proxy statement/prospectus as 2019E P/E, in each case (other than in the case of Celgene), based on public filings with the SEC, equity analyst research reports and FactSet data as of December 31, 2018. With respect to Celgene, J.P. Morgan calculated and compared both the 2019E FV/EBITDA and 2019E P/E multiples based on (i) equity analyst research reports and (ii) the Celgene blended management case, which was reviewed and approved by management of Celgene for use by J.P. Morgan in performing its financial analyses and in rendering its fairness opinion.

This analysis indicated the following 2019E FV/EBITDA and 2019 P/E multiples:

	<b>2019E FV/ EBITDA</b>	<b>2019 P/E</b>
Alexion Pharmaceuticals, Inc.	9.5x	12.5x
Amgen Inc.	10.0x	13.4x
Biogen Inc.	7.9x	10.7x
Gilead Sciences, Inc.	6.8x	10.0x

Regeneron Pharmaceuticals, Inc.

14.6x